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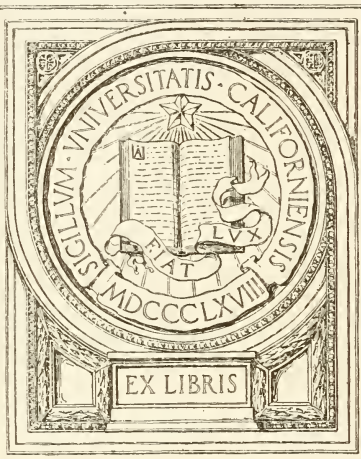

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THE PUBLIC UTILITIES
COMMISSION OF OHIO

A Uniform Classification of Accounts for Electric Utilities

EFFECTIVE JANUARY 1, 1915

COLUMBUS, OHIO
1914

THE PUBLIC UTILITIES COMMISSION
OF OHIO

A Uniform Classification of Accounts

for

Electric Utilities

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At a REGULAR SESSION of THE PUBLIC UTILITIES COMMISSION OF OHIO, held at Columbus, Ohio, on the twenty-fifth day of November, 1914.

In the Matter of a Uniform Classification of Accounts for Electric Utilities. } ADMINISTRATIVE ORDER No. 22.

The Commission, acting under the laws of Ohio relating to public utilities, including municipally owned or operated utilities, and in the exercise of the powers conferred upon it by law, and after due notice to all public utilities to be affected thereby, including municipally owned or operated utilities, deeming it advisable, after full investigation, to establish a system of accounts and records to be used and kept by all public utilities, engaged in the generation, transmission or sale of electricity, including municipally owned or operated electric utilities, it is, therefore,

ORDERED, That the system of accounts and records, fully set forth and described in a pamphlet, identified and designated as, "A Uniform Classification of Accounts for Electric Utilities," said pamphlet and all of its contents being referred to herein, hereto attached and made a part hereof, be and the same is hereby established and prescribed as the system of accounts and records to be kept and used by each and all of said utilities. It is further

ORDERED, That each such utility of each class, as the same is designated in said pamphlet, shall carry on its books, the accounts and records herein prescribed for a utility of that class, and shall accurately keep such accounts in accordance with the requirements, definitions and instructions contained and set out in said pamphlet. It is further

ORDERED, That this order shall take effect on January first, 1915, and shall continue in force until suspended, modified or set aside by this Commission.

THE PUBLIC UTILITIES COMMISSION OF OHIO,

O. H. Hughes, *Chairman,*
C. C. Marshall,
E. W. Doty,
Commissioners.

A true copy:

.....
Secretary

304811

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GENERAL INSTRUCTIONS

Electric Utility defined: Any person or persons, firm or firms, copartnership or voluntary association, municipal corporation, joint stock association, company or corporation, wherever organized or incorporated, when engaged in the business of supplying electricity for light, heat or power purposes to consumers within this state, is an electric utility.

CLASSIFICATION OF COMPANIES

For the purpose of this system of accounts, each electric plant serving a distinct locality, and separately operated, shall be considered a separate utility, even though two or more such plants are held in common ownership.

Utilities are divided into four classes, as follows:

CLASS "A" — Utilities having average annual operating revenues exceeding $200,000.00.

CLASS "B" — Utilities having average annual operating revenues exceeding $100,000.00 but not more than $200,000.00.

CLASS "C" — Utilities having average annual operating revenues exceeding $20,000.00, but not more than $100,000.00.

CLASS "D"—Utilities having average annual operating revenues of $20,000.00 or less.

Condensed instructions for Class "D" utilities are given on page 107. This basis of division, together with the opportunity for development of each utility, will determine the accounts to be kept.

SCHEME OF ACCOUNTS EXPLAINED

To each of the above classes is assigned a system of accounts which represents the minimum number of accounts which each utility of that class shall carry.

Each classification of accounts follows the same general principles and is inter-related with each of the other classifications. The accounts prescribed for each class will permit of a comparison of operating results between the smallest and largest plants.

Any utility may use the accounts prescribed for utilities of the next higher class, and it may further divide any accounts into such subdivisions as it deems necessary for its operation. It may keep any additional accounts supplemental to, or explanatory of, accounts prescribed for the class, but all of its accounts must be so kept that the sum of two or more such accounts will constitute one of the accounts in the classification prescribed for such class.

The inter-relation of the accounts prescribed for each class with the accounts prescribed for other classes is shown in the classification on page 16.

All of the accounts included in any scheme of accounts fall primarily into two grand divisions, namely:

(1) Income and Profit and Loss Accounts, reflecting a history of the operations and their profit and loss results for a given period of time.

(2) Balance Sheet Accounts, reflecting the financial status and proprietary relationships as at a given date.

In this system, each of these grand divisions is again divided into summary accounts (five in each division), and each of these ten summary accounts comprising the entire system, is again subdivided for the utility of the next higher class, and so on, to the highest class.

The ten summary accounts, comprising the entire system, are as follows:

0. Operating Revenues (electric utility only).
1. Operation (electric utility only).
2. Maintenance (electric utility only).
3. General Expense (electric utility only).
4. Miscellaneous Revenue and Expense (Non-operating and sub-utility).
5. Fixed Assets.
6. Investments and Funds.
7. Current and Nominal Assets.
8. Funded, Current and Nominal Liabilities.
9. Proprietary Interests, Reserves and Income and Profit & Loss Account.

The Income and Profit and Loss Account is the connecting link which, after there has been closed into it the five temporary accounts comprising the first grand division, and the result added to the permanent accounts reflecting the proprietary interests in summary group (9), this group of accounts will measure the difference between the sum of the assets and the sum of the liabilities, and thus become a part of the second grand division of five summary accounts comprising the Balance Sheet.

Summary Accounts "0 to 4" are for recording the revenues and expenses.

Summary Accounts "5 to 8" are for recording the assets and liabilities.

Summary Accounts "9" are for recording the proprietary interests and to clear the revenue and expense accounts for a period, the net result of which operation either adds to or deducts from the proprietary interests which are represented by the accounts for Capital, Surplus and Reserves.

The ten Summary Accounts comprising the first order are, therefore, indicated numerically by a symbol containing a single digit.

As these accounts are divided into accounts of the next higher, or second, order, they are indicated numerically by a symbol containing two digits; the first digit in which is identical with the digit indicating the summary account.

As the accounts of the second order are again subdivided into accounts of the third order, they are indicated numerically by a symbol containing three digits; the first two digits in which are identical with those representing the account of the second order which has been subdivided into accounts for the third order, and the first digit in which indicates the summary account of the first order to which it belongs.

As the accounts of the third order are again subdivided into accounts of the fourth order, they are indicated by the same symbol of three digits as they were in the third order, and the further subdivision is indicated by the addition to the numerical symbol of the small letters (a), (b), (c), etc.

Any account of the highest order herein, therefore, can be identified with the account of the next lower order, and the lowest order of which it is a subdivision, by identity of the first two digits in the scheme of notation which has been adopted.

Illustration: The account "Operation" in the lowest order of accounts for Class "D" utilities is indicated by the numeral "1".

In this classification "Operation" has been divided for the next higher order of accounts for Class "C" utilities into—

11 — Steam Power Production
12 — Transmission
13 — Storage
14 — Distribution
15 — Utilization. Etc. Etc.

The account "Steam Power Production" indicated by the numeral "11" has, for the next higher order of accounts for Class "B" utilities, been sub-divided into—

111 — Station Wages
112 — Fuel for Steam
113 — Water for Steam
114 — Lubricants. Etc. Etc.

The first two digits in the numeral "111" show its relation to Account No. 11 for the second order of accounts, and the first digit shows its relation to Account No. 1 "Operation" for the first order.

Account No. 111 "Station Wages" has, in the accounts of the highest or fourth order, been again sub-divided for Class "A" utilities into—

111a — Superintendence
111b — Boiler Labor
111c — Engine Labor
111d — Electrical Labor
111e — Miscellaneous Labor

As this system of accounts may be used by electric utilities generating current either by steam power, gas power, or water power, a classification has been made for each of these methods of production.

To distinguish between the kinds of production there has been further added to the scheme of numerical notation a mnemonic symbol.

Thus the account — "S111" indicates Station Wages — steam power production.
"G111" Station Wages — gas power production, and
"W111" Station Wages — water power production.

While the classification on page 16 exhibits the accounts prescribed for each class, as well as the inter-relation between the classes, there has also been included, for quick reference, a separate classification index for each of the classes A, B, C and D.

In these separate indexes for each class, the accounts have been designated by the same numerical symbol as in the main classification, but their order has been rearranged and they have been grouped under headings of "Balance Sheet Accounts" and "Income Accounts". The operating expense accounts also have been regrouped under departmental headings into the three divisions of Operation, Maintenance, and General Expense, comprising the summary account numbers 1, 2 and 3.

The larger utilities, which do not maintain general ledger accounts for each of the accounts provided for in the classification, but who maintain controlling accounts against certain groups of accounts, and establish the primary accounts by means of auxiliary analysis sheets or otherwise, are at liberty to maintain such controlling accounts for expenses under captions of "Operation", "Maintenance" and "General Expense", or combinations or subdivisions thereof, or they may maintain such controlling accounts under departmental captions of "Production", "Transmission", "Distribution ", etc., (or combinations or subdivisions thereof) into which the separate classification on pages 25, 34 and 40 have rearranged the order of the general classification on page 16.

NUMBERING ACCOUNTS

The numbering of the accounts is solely for convenience of reference, and is not considered a part of the title or definition.

The employment of the scheme of notation herein suggested, as a part of the bookkeeping machinery, can, however, be made of great service.

Its primary purpose, however, is to show the inter-relation of all of the accounts prescribed for each class of utilities with the accounts of each of the other classes, thus establishing the uniformity of the system for all classes for purposes of comparison, merely more refinement and more minute subdivisions being required from the larger utilities than is required from the smaller ones.

DOUBLE ENTRY BOOKKEEPING

All accounts in this system shall be kept by the double entry method of bookkeeping.

AUXILIARY RECORDS

Each utility shall keep its records in such a manner as to show the full facts connected with matters covered by the accounts provided herein. When impracticable to record full information in the general books, the entries therein shall be supported by other records in which the details shall be fully stated, and the entries in the general books shall contain such reference to the detailed records as will enable a ready identification and verification of the facts therein recorded. The detailed records shall be filed in such a manner as to be readily accessible for examination by the representatives of the Public Utilities Commission.

SEPARATE ACCOUNTS FOR DISTINCT LOCALITY OPERATIONS

So that the cost of rendering service, and the revenue derived therefrom, may be determined for each distinct locality, it will be required that a company operating electric utilities in several distinct localities maintain separate plant and equipment accounts, and separate revenue and expense accounts, in accordance with this classification, in every instance where distinct localities are separately served by separate plants.

Plants in separate but contiguous political sub-divisions, if connected by Transmission Lines, shall be considered as one operating unit, unless otherwise ordered by the Commission.

Transmission Lines are lines used for the purpose of conveying electric current from the generating station to substations or other stations.

Overhead expenses covering several plants held in common ownership, may be distributed to the several plants, but the distribution must be made upon an equitable basis, and such basis must clearly appear from the accounts and will be called for in the annual reports to the Public Utilities Commission of Ohio.

Any utility thus operating separate plants must, of necessity, keep for its own purposes such accounts for the utility regarded as a whole, in which to record such data as would not be reflected in the accounts for each separate plant, but all financial transactions between the utility regarded as a whole and each separate plant thereof, regarded as a separate utility, must be so shown as to clearly separate any charges or credits distributed to the accounts for each separate plant.

When the same utility plant supplies service in different localities, so far as practicable, the accounts of such utility shall be so kept that the operating expense and operating revenue in each locality may be easily determined.

If the Commission shall, hereafter, call for such information, and if, in the case of any utility it shall appear that reasonable effort has not been made to

comply with this provision of this system of accounts, it will be necessary in such case, as to such utility, to supplement the order establishing this system with a further and more explicit requirement. Any utility in doubt as to whether in its case separate accounts should be kept, and to what extent, is invited to confer with the Commission.

CORRESPONDENCE WITH THE COMMISSION

The classification has been prepared with the view of making it adaptable to the varied local conditions, yet it is quite probable that all circumstances have not been foreseen. Accounting officers are urged to correspond with the Commission should difficulties arise with regard to the interpretation of any account or rule therein prescribed in order that uniformity may be secured in the application of the provisions of the classification.

In prescribing this system of accounts, the Commission does not bind itself to approve any item set out in any account, either as to amount or character, for rate-fixing purposes or when authorizing the issuance of securities. The classification of accounts is designed to set out the facts in connection with the income, expense, etc., and therefrom the Commission will determine, when engaged in fixing rates or approving issues of securities, just what consideration shall be given to the various items in the several accounts.

EXPLANATIONS AND DEFINITIONS

Revenues: The revenues of a utility are the amounts of money or money's worth which it becomes lawfully entitled to receive, and hence should include all amounts which have been *earned,* or which have *accrued,* for a given period, whether *received* in cash or not.

The revenues accruing from electric operations are herein provided for under Summary Account No. 0 — "Operating Revenues".

The revenues accruing from non-operating sources or from sub-utility operations are herein provided for in Summary Account No. 4 — "Miscellaneous Revenue and Expense".

Operating Revenues Defined: By operating revenues are meant all amounts of money which the company receives or becomes entitled to receive for electric service and for service incident thereto, such as insurance of break down service, etc.

Non-operating Revenues Defined: By non-operating revenues are meant all moneys which the company receives or becomes entitled to receive from transactions apart from the furnishing of electric service, or as a return upon the property of the corporation in the hands of others, or from its interests in property in the hands of others.

Sub-Utility Revenue and Expense Defined: A separate account has been provided for those companies operating other public utilities such as steam heating, street railway, or any other public utility coming under the jurisdiction of the Commission. Pending the adoption of uniform systems of accounts for such utilities, electric corporations operating these sub-utilities shall maintain separate property accounts and separate operating expense and income accounts for each utility.

Expenses: The expenses of a utility are the accrued costs paid or payable for services, rents, materials utilized, taxes, insurance, and all other expenses *incurred* in the conduct and management of its business, whether *paid* in cash or not. The expenses incurred for electric operations are provided for herein under three divisions; namely, in

Summary Account No. 1 — Operation.
No. 2 — Maintenance.
No. 3 — General Expenses.

The expenses incurred in connection with non-operating and sub-utility revenues, are provided for herein in Summary Account No. 4 — "Miscellaneous Revenues and Expenses".

Operating Expenses Defined: By operating expenses are meant the expenses of conducting electric operations and services incident thereto, the expenses of maintaining the property devoted to the electric operations and the expenses of collecting revenues and accounting and the general and supervision expenses in connection with the foregoing. In order that the operating expenses shall clearly reflect only the cost of rendering such service, all expenses incident to the operation of any other utility service performed, or of any transaction of a commercial nature, shall be excluded therefrom.

Operation should be understood to mean the labor, material, supplies and expenses consumed in producing, transmitting, storing, distributing and utilizing electric current, exclusive of all charges for "Maintenance" as next defined.

Maintenance should be understood to mean the cost of the "upkeep" of the plant used and useful in electric operations, and should cover all expenditures (either made currently or deferred) for repairs, renewals, or replacements of property, whether resulting through wear and tear, obsolescence, inadequacy, or through those casualties incidental to the nature of the business, and which expenditures are necessary in order to keep the productive capacity of the plant up to its original or equivalent state of efficiency.

General Expenses should be understood to mean those expenses not specifically classified as "operation" or "maintenance", and which are definitely named and distinguished in the series of accounts grouped under this caption.

The items includible in the above subdivisions, except where some other meaning is clearly apparent from the language used in explaining the account shall be understood to have the following meaning:

The *Cost of Labor* shall be understood to cover not only wages paid for manual labor, but salaries and fees paid to persons engaged in clerical, engineering or supervisory occupations.

Materials and Supplies shall be understood to cover the substance or matter consumed in furnishing electric service or keeping up the plant, and embraces not only finished and unfinished products, but all expenses incurred in connection therewith, and if such material and supplies pass through the storeroom, it may also include a proportion of the store expenses.

Hand tools, because of their liability to loss and theft and their rapid consumption in use, are to be considered as operating or construction supplies in the year in which they were used, and charged in the account for the benefit of which they were purchased.

Expenses should be understood to mean all expenditures made or incurred which are chargeable to the accounts referred to, and which are not "labor" or "materials and supplies" as herein defined.

Auxiliary Operations: Electric utilities operating facilities or rendering services other than those incident to the furnishing of electric current (the cost of the property used in such operations being included in the plant and equipment accounts) shall treat such operations or services as auxiliary operations. Utilities shall keep separate revenue and expense accounts for each auxiliary operation conducted, and shall include the aggregate of the revenues and the aggregate of the expenses of auxiliary operations in the respective accounts provided therefor under Summary Account No. 4—"Miscellaneous Revenues and Expenses".

Assets: The assets of a utility are the properties or wealth in its possession or at its disposal, both tangible and intangible, including rights and actions. Under *Fixed Assets* is included the investment in plant, and provision for these accounts has been made herein under Summary Account No. 5, which classifies the plant investment accounts into accounts of property used and useful in electric operations, and into "property used in other than electric operations".

The assets consisting of *Investments* and specially earmarked *Funds* are provided for herein under Summary Account No. 6.

The *Current and Nominal Assets* are provided for under Summary Account No. 7. The current assets consist of cash, receivables, materials and supplies, etc., and the nominal assets consist of the prepaid expenses and deferred charges applicable to operations of future periods.

Liabilities: The liabilities of a utility are the amounts of money or money's worth which the utility is under legal obligation to pay, deliver or render

to others. The liabilities are provided for herein under Summary Account No. 8, and are therein separated into three classes — Funded, Current and Nominal.

Proprietary Interests: The proprietary interests of a utility are the property rights or equities of the stockholders and others who constitute the owners or proprietors of the business in the assets or wealth belonging to or employed in the utility. These interests are always equal to the excess of the sum of the assets over the sum of the liabilities. The Proprietary Interests have been provided for herein in Summary Account No. 9, which has been divided into accounts representing capital stock or other non-corporate proprietary interest, and into reserves and surplus.

As the profit or loss from operation for a given period either adds to or subtracts from the proprietary interests, all accounts affecting such profit or loss results have been included under Summary Account No. 9, under the sub-caption "Income and Profit & Loss Account". Into this latter account are closed at the end of each accounting period all of the operating revenue and operating expense accounts, and also the miscellaneous revenue and expense accounts. Interest and other deductions from income are likewise provided for hereunder.

Plant Investment Defined: Property which has an expectation of life of more than one year in service, (exception being made of hand and other small portable tools liable to be stolen or lost, and hence to be considered as operating or construction supplies and charged to the account for the benefit of which the expense is incurred), is properly chargeable to the appropriate plant investment accounts herein provided.

All charges made to property or other accounts in the classification shall be the actual money cost of things in respect to which the charges are made. If the consideration actually given for the thing in respect to which the charge to a property account is made, is anything other than money, the actual consideration shall be described in the entry with sufficient fulness and particularity to identify it, and the amount charged shall be the actual money value of such consideration at the time of the transaction.

When any property in the form of a going and completed plant is purchased, the actual amount paid therefor shall be distributed to the appropriate accounts of the purchasing utility, but before making such distribution, the plan thereof shall be communicated to and approved by the Commission.

Discount on Debt: The discount upon bonds issued to raise capital is provided for herein in separate accounts, and must in no case be charged to property accounts, except as specifically provided for in Account No. 575.

Distinction Between Charges to Property and Charges to Expenses: The importance of a proper distinction is apparent, from the fact that a charge to a Property Account which should have been made to an Expense Account, overstates both the Property Account and the Net Profit for the period. Hence, the necessity for the following rules:

1. Only the actual cost in money of Additions and Betterments of the physical property of the utility, and such other intangible capital as is provided for herein, shall constitute a permanent charge to the Plant Accounts.

2. Additions are structures, facilities, equipment and other property added to those in service at the beginning of operations and not taking the place of any property for like purposes, previously held by the accounting utility.

3. Betterments are physical changes in structures, facilities or equipment, the object of which is to make the properties affected more useful or of greater capacity than they were at the time of their original installation or acquisition. Charges to Plant Investment accounts for Betterments made shall include only

such portion of the cost of betterments as will, when added to the original cost of the property bettered, give the cost of the property in its bettered condition.

Since any betterment of existing structures, facilities and equipment involves the partial destruction or partial reconstruction of the thing improved, only such portion of the cost of the change shall be charged to the Plant Investment account as will, when added to the original cost (estimated if not known) of the thing bettered, give the cost of the thing as bettered. The remainder of the cost of the change (account having been taken of any salvage) shall be charged to the appropriate "Deferred Upkeep Reserve" account. (See chapter on Deferred Maintenance.)

4. Beside the cost of labor and material actually used in the installation of an addition or Betterment there may also be included all sundry expenses that result directly from the purchase, installation, or the preparation therefor; namely, such items as are included under Account No. 57 — Miscellaneous Construction and Equipment Expenditures.

5. Plant Accounts shall be charged with the expenditures for physical property to replace that retired from service; and the cost of the property retired shall be credited to the Plant Account and charged to the appropriate "Deferred Upkeep Reserve".

Contingent Assets and Liabilities: Contingent Assets and Liabilities should not be included in the body of the balance sheet, but should be shown in detail in a supplemental statement accompanying the balance sheet. Contingent Assets represent possible sources of value, dependent upon the fulfillment of conditions regarded as uncertain. Contingent Liabilities include those which may, under certain conditions become obligations of the company, but are neither direct or assumed obligations on the date of the balance sheet.

Unaudited Bills and Vouchers: When bills covering operating revenues or operating expense items are not received in time for audit, and when vouchers are not made in time for inclusion in the operating accounts for the period in which the transactions occur, the items may be estimated, and in such form charged or credited to operating accounts, and credited or charged to temporary accounts, the necessary adjustments being made later when the bills and vouchers are taken into the utility's accounts.

Distribution of Delayed Items: Delayed Items are items representing transactions which occurred before the current year. When no provision has been made through entries in the accounts of this classification for anticipating delayed items chargeable or creditable to the accounts herein, and the amount of such item is relatively so large that its inclusion in the accounts for a single year would seriously distort those accounts, the utility shall use Account No. 954 — "Adjustments Prior Period" with full explanation.

Cash Discounts: It will be optional with the utility to treat cash discounts for prompt payment, deducted in paying invoices for merchandise purchases, etc., either as an item of income, or as a deduction from the invoice and the account chargeable therewith, or in such other manner as conforms to the practice of the utility. Its accounts, however, should clearly reflect the method adopted, which should be uniform throughout the accounting year, and the practice in this regard reported to the Commission.

CLASSIFICATION OF ACCOUNTS.

ALL CLASSES

Showing the Inter-relation of the Accounts Prescribed for each Class with the Accounts Prescribed for other Classes.

	Symbol	Name of Account.	Class			Page
0		OPERATING REVENUES			D	
	01	Municipal Light and Power Revenues...			C	45
	011	Municipal Street Lighting — Arc.....	A	B		45
	012	Municipal Street Lighting — Incandescent.	A	B		45
	013	Other Municipal Light and Power Revenues — Metered	A	B		45
	014	Other Municipal Light and Power Revenues — Flat Rate.....	A	B		45
	02	Private Light and Power Revenues.....			C	45
	021	Residence Light and Power Revenues — Metered	A	B		46
	022	Residence Light and Power Revenues — Flat Rate	A	B		46
	023	Commercial Light and Power Revenues — Metered	A	B		46
	024	Commercial Light and Power Revenues — Flat Rate	A	B		46
	03	Miscellaneous Electric Revenues.....			C	46
	031	Sales to Other Public Utilities.....	A	B		46
	032	Other Miscellaneous Electric Revenues..	A	B		46
	04	Free Municipal Services (Municipally Owned Plants only.).....			C	47
	041	Municipal Street Lighting — Arc.....	A	B		47
	042	Municipal Street Lighting — Incandescent.	A	B		47
	043	Other Municipal Light and Power Services	A	B		47
1		OPERATION			D	
	S11	Steam Power Production.....			C	47
	S111	Station Wages		B		47
	(a)	Superintendence	A			47
	(b)	Boiler Labor	A			48
	(c)	Engine Labor	A			48
	(d)	Electrical Labor	A			48
	(e)	Miscellaneous Labor	A			48
	S112	Fuel for Steam.....	A	B		49

Symbol	Name of Account.	Class			Page
S113	Water for Steam	A	B		49
S114	Lubricants	A	B		49
S115	Station Supplies and Expenses		B		49
(a)	Steam Supplies and Expenses	A			49
(b)	Power Plant Supplies and Expenses	A			49
S116	Steam Generated (Apportionment Account)	A	B		50
S117	Steam Purchased	A	B		50
G11	Gas Power Production			C	50
G111	Station Wages		B		50
(a)	Superintendence	A			50
(b)	Gas Producer Labor	A			50
(c)	Engine Labor	A			51
(d)	Electrical Labor	A			51
(e)	Miscellaneous Labor	A			51
G112	Gas Producer Fuel	A	B		51
G113	Gas Producer Water	A	B		51
G114	Lubricants	A	B		52
G115	Station Supplies and Expenses		B		52
(a)	Gas Producer Supplies and Expenses	A			52
(b)	Power Plant Supplies and Expenses	A			52
G116	Water for Cooling Engines	A	B		52
G117	Power Gas Produced (Apportionment Account)	A	B		52
G118	Power Gas Purchased	A	B		53
W11	Water Power Production			C	53
W111	Station Wages		B		53
(a)	Superintendence	A			53
(b)	Water Power Labor	A			53
(c)	Electrical Labor	A			53
(d)	Miscellaneous Labor	A			53
W112	Water for Power	A	B		54
W114	Lubricants	A	B		54
W115	Station Supplies and Expenses	A	B		54
P11	Purchased Power	A	B	C	54
T11	Transfer of Power. (Apportionment Account)	A	B	C	55
12	Transmission			C	55
121	Transmission and Sub-station Wages		B		55
(a)	Transmission Wages	A			55
(b)	Sub-station Wages	A			55
122	Transmission and Sub-station Supplies and Expenses		P		55
(a)	Transmission Supplies and Expenses	A			55
(b)	Sub-station Supplies and Expenses	A			55
123	Transmission Subway Rentals	A			56
13	Storage			C	56
131	Operation of Storage Batteries		B		56
(a)	Storage Battery Wages	A			56
(b)	Storage Battery Supplies and Expenses	A			56

Symbol	Name of Account.		Class		Page
14	DISTRIBUTION			C	56
141	Distribution Wages		B		56
(a)	Superintendence	A			56
(b)	Distribution Labor	A			56
(c)	Labor Setting and Removing Meters	A			56
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(b)	Repairs to Accessory Electrical Equipment	62
	WATER POWER PRODUCTION	
	Operation	
W111(a)	Superintendence	53
(b)	Water Power Labor	53
(c)	Electrical Labor	53
(d)	Miscellaneous Labor	53
W112	Water for Power	54
W114	Lubricants	54
W115	Station Supplies and Expenses	54
	Maintenance	
W211	Repairs to Station Structures	62
W212(a)	Repairs to Dams, Canals and Pipe Lines	62
(b)	Repairs to Turbines and Water Wheels	63
(c)	Repairs to Accessory Mechanical Equipment	63
W213(a)	Repairs to Generators	63
(b)	Repairs to Accessory Electrical Equipment	63
P111	PURCHASED POWER	54
T111	TRANSFER OF POWER (Apportionment Account)	55

TRANSMISSION

	Operation	
121(a)	Transmission Wages	55
(b)	Sub-station Wages	55

Symbol		Page
122(a)	Transmission Supplies and Expenses	55
(b)	Sub-station Supplies and Expenses	55
123	Transmission Subway Rentals	56
	Maintenance	
221(a)	Repairs to Substation Structures	64
(b)	Repairs to Substation Equipment	64
222(a)	Repairs to Overhead Transmission Lines	64
(b)	Repairs to Underground Transmission Lines	64

STORAGE

	Operation	
131(a)	Storage Battery Wages	56
(b)	Storage Battery Supplies and Expenses	56
	Maintenance	
231(a)	Repairs to Storage Battery Structures	65
(b)	Repairs to Storage Battery Equipment	65

DISTRIBUTION

	Operation	
141(a)	Superintendence	56
(b)	Distribution Labor	56
(c)	Labor Setting and Removing Meters	56
(d)	Labor Inspecting and Testing Meters	56
(e)	Labor Inspecting, Setting and Removing Transformers	56
142(a)	Distribution Supplies and Expenses	57
(b)	Meter Department Supplies and Expenses	57
143	Distribution Subway Rentals	57
	Maintenance	
241(a)	Repairs to Overhead Distribution Lines	65
(b)	Repairs to Underground Distribution Lines	66
242	Repairs to Transformers	66
243	Repairs to Services	66
244	Repairs to Meters	66

UTILIZATION

	Operation	
151	Municipal Arc Labor	57
152	Municipal Arc Supplies and Expenses	57
153	Municipal Incandescent Lamps	57
154	Commercial Arc Labor	57
155	Commercial Arc Supplies and Expenses	57
156	Commercial Incandescent Lamps	58
157	Consumers' Premises Expenses	58
	Maintenance	
251	Repairs to Municipal Lighting Equipment	66
252	Repairs to Commercial Lighting Equipment	67

UNDISTRIBUTED

	Operation	
161	Stores' Department Expenses	58
162	Stable and Garage Expenses	58
163	Shop and Laboratory Expenses	58
164	Inventory Adjustments (Dr. or Cr.)	58

Symbol		Page
	Maintenance	
261	Repairs to General Office Structures	67
262	Repairs to General Office Equipment	67
263	Repairs to Stores, Shops, Garages, Stables, etc.—Structures	67
264	Repairs to Stores, Shops, Garages, Stables, etc.—Equipment	67
	DEFERRED UPKEEP	
271	Extraordinary Repairs—(Reserve Credit)	68
272	Renewals and Replacements—(Reserve Credit)	68
273	Contingencies—(Reserve Credit)	68
	GENERAL EXPENSES	
	Administrative	
311	Salaries and Expenses of Administrative Officers	68
312	Salaries and Expenses of Other Office Employees	68
313	General Office Rent	68
314	General Office Supplies and Expenses	68
315	Miscellaneous General Expenses	68
316	Law Expenses—General	68
317	Stationery and Printing	69
318	Relief and Pensions	69
	Commercial	
321(a)	Meter Reading—Salaries and Expenses	69
(b)	Collections—Salaries and Expenses	69
(c)	Contract Office—Salaries and Expenses	69
(d)	Consumers' Accounting—Salaries and Expenses	69
	Business Promotion	
322(a)	Canvassing and Soliciting	70
(b)	Advertising	70
(c)	Wiring	70
(d)	Miscellaneous Business Promotion Expenses	70
	Injuries and Damages	
331	Injuries to Persons	70
332	Damages to Property	70
	Public Regulation Expenses	
341	Legal Fees and Expenses	71
342	Expert Fees and Expenses	71
343	Compensation and Expenses of Employees	71
344	Supplies and Expenses	71
345	Other Public Regulation Expenses	71
	Undistributed	
351	Insurance	71
361	Franchise Requirements	71
371	Miscellaneous Rents	71
381	Uncollectible Accounts (Reserve Credit)	72
391	Current Used by Company (Credit)	72
392	Free Services (Credit)	72

MISCELLANEOUS REVENUES AND EXPENSES

Symbol		Page
	Non-Operating Revenues and Expenses	
411	Profit on Merchandise Sales and Jobbing	72
412	Rents from Lease of Plant and Equipment	72
413	Miscellaneous Rent Revenues	73
414	Interest on Deposits	73
415	Interest and Dividends from Investments	73
416	Miscellaneous Non-Operating Revenues and Expenses	73
	Sub-Utility Revenues and Expenses	
421 422 423 424	Classified e. g. Hot Water, Steam Heating, Gas, Street Railway, etc	73

INDEX TO ACCOUNTS FOR CLASS "B" UTILITIES

The inter-relation of the following accounts prescribed for Class "B" Utilities with the accounts prescribed for Classes A, C and D, is shown in the complete classification of accounts for all classes on page 16.

BALANCE SHEET ACCOUNTS

ASSETS

PLANT INVESTMENT ACCOUNTS

Symbol		*Page*
500	Plant Investment as of January 1, 1915	73
	INTANGIBLE PROPERTY	
511	Organization	74
512	Royalties, Franchises and Licenses	74
513	Other Intangible Property	74
	TANGIBLE PROPERTY.	
520	Land Used in Electric Operations	75
530	Structures Used in Electric Operations	76
540	Power Plant Equipment	78
551	Underground Conduits	80
552	Poles and Fixtures	80
553	Transmission System Equipment	80
554	Sub-Station Equipment	81
555	Storage Battery Equipment	81
556	Distribution System Equipment	81
557	Electric Services	81
558	Transformers	82
559	Meters	82
561	Utilization Equipment	82
562	General Office Equipment	83
563	Other Equipment	83
	MISCELLANEOUS CONSTRUCTION AND EQUIPMENT EXPENDITURES.	
571	Engineering and Superintendence during Construction	83
572	Law Expenditures during Construction	83
573	Injuries and Damages during Construction	84
574	Taxes during Construction	84
575	Interest during Construction	84
576	Miscellaneous Expenditures during Construction	84
581	Unfinished Plant Investment (Construction in Progress)	85
591	Property Used in Other Than Electric Operations	85

Symbol	INVESTMENTS AND FUNDS	Page
611	Investments	85
621	Re-acquired Securities	86
631	Deferred Upkeep Fund	86
641	Contractual Sinking Fund	86
651	Other Special Funds	87
	CURRENT AND NOMINAL ASSETS	
711	Cash	87
721	Accounts Receivable	87
722	Notes Receivable	87
723	Interest, Dividends and Rents Receivable	88
731	Materials and Supplies (Stores)	88
741	Other Current Assets	88
751	Prepaid Insurance	88
752	Prepaid Interest	89
753	Prepaid Rents	89
754	Miscellaneous Prepaid Accounts	89
755	Unamortized Debt Discount and Expense	89
756	Other Deferred Charges and Suspense Accounts	89
761	Current Transactions of Municipal Plant with City (Municipally owned Plants only)	90
	LIABILITIES	
	FUNDED, CURRENT AND NOMINAL	
811	Funded Debt	90
821	Municipal Electric Utility Bonds (Municipally Owned Plants only)	90
831	Accounts Payable	90
832	Notes Payable	90
833	Matured Interest on Funded Debt Unpaid	91
834	Other Matured Interest Unpaid	91
835	Dividends Payable	91
836	Consumers' Deposits	91
837	Other Deposits Payable	91
838	Other Current Liabilities	91
841	Taxes Accrued	91
842	Unmatured Interest on Funded Debt Accrued	91
843	Other Unmatured Interest Accrued	92
844	Other Accrued Items	92
851	Borrowings from Deferred Upkeep Fund	92
	PROPRIETARY INTERESTS AND RESERVES	
911	Capital Stock—Common	92
912	Capital Stock—First Preferred	92
913	Capital Stock—Second Preferred	92
921	Sole Proprietorship	93
922	Partnership	93
923	City Investment (Municipal Plants only)	93
930	Reserve for Deferred Upkeep	93
941	Premium on Capital Stock	93
942	Unamortized Premium on Debt	93
943	Reserve for Uncollectible Accounts	94

Symbol		Page
944	Sinking Fund Reserves	94
945	Amortization Reserves	94
946	Other Reserves	95
950	Surplus—Deficit	95
	Appropriations from Surplus	
951	Dividends Declared	95
951	Interest on City Investment (Municipally Owned Plants only)	95
952	Contractual Sinking Fund Requirements	95
953	Miscellaneous Appropriations	96
954	Adjustments Prior Period (Dr. and Cr.)	96

INCOME AND PROFIT & LOSS ACCOUNT (Current Period)

961	Operating Revenues (Accounts 011 to 099)	96
962	Operating Expenses (Accounts 111 to 399)	96
963	Miscellaneous Revenues and Expenses (Accounts 411 to 499)	96
964	Interest on Funded Debt	96
965	Other Interest	96
966	Taxes	97
967	Release of Premium on Debt — Credit	97
968	Loss on Operations of Others	97
969	Miscellaneous Deductions from Income	97

CLASS "B"

INCOME ACCOUNTS

OPERATING REVENUES

Symbol		*Page*
011	Municipal Street Lighting—Arc	45
012	Municipal Street Lighting—Incandescent	45
013	Other Municipal Light and Power Revenues—Metered	45
014	Other Municipal Light and Power Revenues—Flat Rate	45
021	Residence Light and Power Revenues—Metered	46
022	Residence Light and Power Revenues—Flat Rate	46
023	Commercial Light and Power Revenues—Metered	46
024	Comercial Light and Power Revenues—Flat Rate	46
031	Sales to Other Public Utilities	46
032	Other Miscellaneous Electric Revenues	46
041	Free Municipal Street Lighting—Arc (Municipally owned Plants only)	47
042	Free Municipal Street Lighting—Incandescent (Municipally owned Plants only)	47
043	Other Municipal Light and Power Services (Municipally owned Plants only)	47

OPERATING EXPENSES

PRODUCTION

Steam Power Production

Operation

S111	Station Wages	47
S112	Fuel for Steam	49
S113	Water for Steam	49
S114	Lubricants	49
S115	Station Supplies and Expenses	49
S116	Steam Generated (Apportionment Account)	50
S117	Steam Purchased	50

Maintenance

S211	Repairs to Station Structures	59
S212	Repairs to Steam Power Plant Equipment	59
S213	Repairs to Electrical Equipment	60

Gas Power Production

Operation

G111	Station Wages	50
G112	Gas Producer Fuel	51

Symbol		*Page*
G113	Gas Producer Water	51
G114	Lubricants	52
G115	Station Supplies and Expenses	52
G116	Water for Cooling Engines	52
G117	Power Gas Produced (Apportionment Account)	52
G118	Power Gas Purchased	53
	Maintenance	
G211	Repairs to Station Structures	60
G212	Repairs to Gas Producer Plant Equipment	61
G213	Repairs to Electrical Equipment	61
	WATER POWER PRODUCTION	
	Operation	
W111	Station Wages	53
W112	Water for Power	54
W114	Lubricants	54
W115	Station Supplies and Expenses	54
	Maintenance	
W211	Repairs to Station Structures	62
W212	Repairs to Water Power Plant Equipment	62
W213	Repairs to Electrical Equipment	63
P111	PURCHASED POWER	54
T111	TRANSFER OF POWER—(APPORTIONMENT ACCOUNT)	55
	TRANSMISSION	
	Operation	
121	Transmission and Sub-station Wages	55
122	Transmission and Sub-station Supplies and Expenses	55
	Maintenance	
221	Repairs to Sub-station Structures and Equipment	64
222	Repairs to Transmission System	64
	STORAGE	
	Operation	
131	Operation of Storage Batteries	56
	Maintenance	
231	Repairs to Storage Battery Structures and Equipment	65
	DISTRIBUTION	
	Operation	
141	Distribution Wages	56
142	Distribution Supplies and Expenses	57
	Maintenance	
241	Repairs to Distribution System	65
242	Repairs to Transformers	66
243	Repairs to Services	66
244	Repairs to Meters	66
	UTILIZATION	
	Operation	
151	Municipal Arc Labor	57
152	Municipal Arc Supplies and Expenses	57

Symbol		Page
153	Municipal Incandescent Lamps	57
154	Commercial Arc Labor	57
155	Commercial Arc Supplies and Expenses	57
156	Commercial Incandescent Lamps	58
157	Consumers' Premises Expenses	58
	Maintenance	
251	Repairs to Municipal Lighting Equipment	66
252	Repairs to Commercial Lighting Equipment	67
	UNDISTRIBUTED	
	Operation	
161	Stores' Department Expenses	58
162	Stable and Garage Expenses	58
163	Shop and Laboratory Expenses	58
164	Inventory Adjustments (Dr. or Cr.)	58
	Maintenance	
260(a)	Repairs to General Office, Structures and Equipment	67
260(b)	Repairs to Stores, Shops, Garages, Stables, etc.—Structures and Equipment	67
270	Deferred Upkeep (Reserve Credit)	68
	GENERAL EXPENSES	
310(a)	Salaries and Expenses of Administrative Officers	68
(b)	General Office Salaries and Expenses	68
(c)	General Expenses	68
318	Relief and Pensions	69
321	Commercial Expenses	69
322	Business Promotion Expenses	70
330	Injuries and Damages	70
340	Public Regulation Expenses	71
351	Insurance	71
361	Franchise Requirements	71
371	Miscellaneous Rents	71
381	Uncollectible Accounts (Reserve Credit)	72
391	Current Used by Company (Credit)	72
392	Free Services (Credit)	72
	MISCELLANEOUS REVENUES AND EXPENSES	
410	Non-Operating Revenues and Expenses (Classified)	72
420	Sub-Utility Revenues and Expenses (Classified)	73

INDEX TO ACCOUNTS FOR CLASS "C" UTILITIES

The inter-relation of the following accounts prescribed for Class "C" Utilities with the accounts prescribed for Classes A, B and D, is shown in the complete classification of accounts for all classes on Page 16.

BALANCE SHEET ACCOUNTS

ASSETS

PLANT INVESTMENT ACCOUNTS

Symbol		*Page*
50	Plant Investment as of January 1, 1915	73
51	Intangible Property	74
52	Land used in Electric Operations	75
53	Structures used in Electric Operations	76
54	Power Plant Equipment	78
55	Transmission, Storage and Distribution Equipment	80
56	Other Equipment	82
57	Miscellaneous Construction and Equipment Expenditures	83
58	Unfinished Plant Investment (Construction in Progress)	85
59	Property used in Other Than Electric Operations	85

INVESTMENTS AND FUNDS.

61	Investments	85
62	Re-acquired Securities	86
63	Deferred Upkeep Fund	86
64	Contractual Sinking Funds or Other Special Funds	86

CURRENT AND NOMINAL ASSETS

71	Cash	87
72(a)	Accounts Receivable	87
(b)	Notes Receivable	87
73	Materials and Supplies	88
74	Other Current Assets	88
75	Deferred Charges	88
76	Current Transactions of Municipal Plant with City (Municipally owned Plants only)	90

LIABILITIES

FUNDED, CURRENT AND NOMINAL

81	Funded Debt	90
82	Municipal Electric Utility Bonds (Municipally Owned Plants only)	90
83(a)	Accounts Payable	90
(b)	Notes Payable	90
(c)	Other Current Liabilities	90
84	Accrued Liabilities	91
85	Borrowings from Deferred Upkeep Fund	92

PROPRIETARY INTERESTS AND RESERVES

Symbol		*Page*
91	Capital Stock	92
92(a)	Non-Corporate Proprietorship	93
(b)	City Investment (Municipally owned Plants only)	93
93	Reserve for Deferred Upkeep	93
94	Other Reserves	93
95	Surplus—Deficit	95
	Appropriations from Surplus	
95(a)	Dividends Declared	95
95(a)	Interest on City Investment (Municipally Owned Plants only)	95
(b)	Miscellaneous Appropriations	96
(c)	Adjustments Prior Period (Dr. or Cr.)	96

INCOME AND PROFIT & LOSS ACCOUNT (Current Period)

96(a)	Operating Revenues (Accounts 01 to 09)	96
(b)	Operating Expenses (Accounts 11 to 39)	96
(c)	Miscellaneous Revenues and Expenses (Accounts 41 to 49)	96
(d)	Interest on Funded Debt	96
(e)	Other Interest	96
(f)	Taxes	97
(g)	Miscellaneous Deductions from Income	97

CLASS "C"

INCOME ACCOUNTS

OPERATING REVENUES

Symbol		*Page*
01	Municipal Light and Power Revenues	45
02	Private Light and Power Revenues	45
03	Miscellaneous Electric Revenues	46
04	Free Municipal Services (Municipally owned Plants only)	47

OPERATING EXPENSES

S11	Steam Power Production—Operation	47
S21	Steam Power Production—Maintenance	59
G11	Gas Power Production—Operation	50
G21	Gas Power Production—Maintenance	60
W11	Water Power Production—Operation	53
W21	Water Power Production—Maintenance	62
P11	Purchased Power	54
T11	Transfer of Power (Apportionment Account)	55
12	Transmission—Operation	55
22	Transmission—Maintenance	64
13	Storage—Operation	56
23	Storage—Maintenance	65
14	Distribution—Operation	56
24	Distribution—Maintenance	65
15	Utilization—Operation	57
25	Utilization—Maintenance	66
16	Undistributed—Operation	58
26	Undistributed—Maintenance	67
27	Deferred Upkeep (Reserve Credit)	68
31	Administrative Expenses	68
32(a)	Commercial Expenses	69
32(b)	Business Promotion Expenses	70
33	Injuries and Damages	70
34	Public Regulation Expenses	71
35	Insurance	71
36	Franchise Requirements	71
37	Miscellaneous Rents	71
38	Uncollectible Accounts (Reserve Credit)	72
39(a)	Current Used by Company (Credit)	72
39(b)	Free Services (Credit)	72

MISCELLANEOUS REVENUE AND EXPENSE

42	Non-Operating Revenues and Expenses (classified)	72
42	Sub-Utility Revenues and Expenses (classified)	73

INDEX TO ACCOUNTS FOR CLASS "D" UTILITIES

The inter-relation of the following accounts prescribed for Class "D" Utilities with the accounts prescribed for Classes A, B and C, is shown by the symbol reference to the complete classification of accounts for all classes on Page 16.

Separate instructions for Class "D" Utilities are given in an appendix on Page 107.

BALANCE SHEET ACCOUNTS

ASSETS

Acct. Nos.		*Symbol Reference to Summary Account in Classification Page 16.*
1	Cost of Plant	5
2	Cash	7
3	Accounts Receivable	7
4	Notes Receivable	7
5	Materials, Supplies and Prepaid Expenses (Inventory)	7
6	Other Current Assets	7
7	Investments	6
8	Deferred Upkeep Fund (optional)	6
9	Property Used in Other Than Electric Operations	5

LIABILITIES

11	Funded Debt (Bonds)	8
12	Accounts Payable	8
13	Notes Payable	8
14	Other Current Liabilities	8
15	Accrued Liabilities (Inventory)	8
16	Borrowings from Deferred Upkeep Fund (Optional)	8

PROPRIETARY INTERESTS

21	Capital Stock—Individual or Partners' Capital Accounts	9
22	Surplus—Deficit (Balance in Profit & Loss Account)	9
23	Reserve for Deferred Upkeep (optional)	9

CLASS "D"

INCOME ACCOUNTS

Acct. Nos.	REVENUES	*Symbol Reference.*
31	Street Lighting Earnings	0
32	Other Electric Earnings	0
33	Earnings from Other Than Electric Utility Operations	4
	EXPENSES	
41	Operating Expenses	1
42	Repairs	2
43	Deferred Upkeep (optional)	2
44	General Expenses	3
45	Taxes	3
46	Interest	9
47	Expenses for Other Than Electric Utility Operations	4

DETAILED TEXT OF ACCOUNTS

0—OPERATING REVENUES

01 MUNICIPAL LIGHT AND POWER REVENUES — (Class C)

Credit to this account the revenues defined in the following accounts:

011 Municipal Street Lighting — Arc — (Classes A and B)

Credit this account with the earnings from the sale of electric current to the municipality for arc lighting, embracing the lighting of streets, alleys, bridges, viaducts, parks, commons, etc., but not the lighting of public buildings.

When municipal street lighting is supplied on meter basis, and such registration is not separately metered, so as to show the revenue derived from this (arc) and following account (incandescent), the amounts may be apportioned between the two accounts on the relative number and capacity of each kind of lamps on the circuit.

012 Municipal Street Lighting — Incandescent — (Classes A and B)

Credit this account with the earnings from the sale of electric current to the municipality for incandescent lighting, embracing the lighting of streets, alleys, bridges, viaducts, parks, commons, etc., but not the lighting of public buildings.

When municipal street lighting is supplied on meter basis, and such registration is not separately metered so as to show the revenues derived from this (incandescent), and the preceding account (arc), the amounts may be apportioned between the two accounts on the relative number and capacity of each kind of lamps on the circuit.

013 Other Municipal Light and Power Revenues — Metered — (Classes A and B)

Credit to this account all earnings derived from the sale of electric current supplied for municipal buildings, school buildings, etc., whether the current is used for lighting, or for heat, or for power, where the total earnings are dependent on the quantity of energy supplied.

014 Other Municipal Light and Power Revenues — Flat Rate — (Classes A and B)

Credit to this account all earnings derived from the sale of electric current supplied for municipal buildings, etc., whether the current is used for lighting, for heat, or for power, when charged at flat rates, or on any basis independent of the quantity of energy supplied.

02 PRIVATE LIGHT AND POWER REVENUES — (Class C)

Credit to this account the revenues defined in the following accounts:

021 Residence Light and Power Revenues—Metered—(Classes A and B)

Credit this account with earnings from residence consumers for electric current supplied, including commercial arcs and incandescents, where the total earnings are dependent on the quantity of energy supplied.

022 Residence Light and Power Revenues—Flat Rate—(Classes A and B)

Credit this account with all earnings from residence consumers for electric current supplied, including commercial arcs and incandescents, where the total earnings received are at flat rates or on any basis independent of the quantity of energy supplied.

023 Commercial Light and Power Revenues—Metered—(Classes A and B)

Credit this account with all earnings from commercial consumers, for electric current supplied, including commercial arcs and incandescents, where the total earnings are dependent on the quantity of energy supplied.

024 Commercial Light and Power Revenues — Flat Rate — (Classes A and B)

Credit this account with all earnings from commercial consumers for electric current supplied, including commercial arcs and incandescents, where the total earnings are at flat rate, or any basis independent of the quantity of energy supplied.

NOTE: *Where it is the custom of the utility to charge a minimum amount when the consumption during the month is less than a prescribed amount, the total amount of such minimum charge shall be credited to the appropriate revenue account, or to its sub-account.*

Where it is the custom of the utility to grant a discount from the gross bill, or to add a penalty to the bill where payment is not made on or before a prescribed date, such discounts or penalties shall be charged or credited to the respective revenue accounts. Utilities desiring to do so may open sub-accounts to show separately, the Minimum Bill and the Discount or Penalty items.

03 MISCELLANEOUS ELECTRIC REVENUES — (Class C)

Credit to this account the revenues defined in the following accounts:

031 Sales to Other Public Utilities — (Classes A and B)

Credit to this account all earnings derived from the sale of electric energy to other public utilities for the purpose of redistribution and sale, and to all electric and interurban railway corporations. Sub-accounts are to be opened for each purchasing utility, such account showing the name of the utility, the amount of energy purchased, and the total revenues from such sales, which details will be called for in the annual report to the Public Utilities Commission.

032 Other Miscellaneous Electric Revenues — (Classes A and B)

Credit to this account all earnings received from the sale of electric energy and service, and from operating transactions not properly includible in any of the preceding accounts.

If the utility received revenues from the insurance of a supply of electric service in the nature of breakdown service, such earnings will be credited to this account.

Revenues from the sale of by-products such as ashes, cinders, chemical waste, gas producer residuals, etc., should not be credited to this account, but to the expense account from which the by-product is derived.

Sub-accounts may be raised to carry the credit from the sale of such by-products, which sub-accounts are to be charged with all expenses incurred in connection therewith and periodically closed into the expense account or accounts which were charged with the labor and materials resulting in the by-product sold.

04 Free Municipal Services (Municipally Owned Plants Only) — (Class C)

Credit to this account as revenues the value of the services defined in the following accounts:

041 Municipal Street Lighting — Arc — (Classes A and B)

Credit this account with the value of public lighting service supplied free to the municipality by means of arc lamps, embracing the lighting of streets, alleys, etc., but not the lighting of public buildings, and charge to "Current Transactions of Municipal Plant with City."

042 Municipal Street Lighting — Incandescent — (Classes A and B)

Credit this account with the value of public lighting service supplied free to the municipality by means of incandescent electric lamps, embracing the lighting of streets, alleys, etc.. but not the lighting of public buildings, and charge to "Current Transactions of Municipal Plant with City."

043 Other Municipal Light and Power Services — (Classes A and B)

Credit to this account the value of all electric energy supplied free for municipal buildings, etc., whether used for light, heat or power, and charge to "Current Transactions of Municipal Plant with City."

Note: *See page 103 for additional instructions for municipally owned utilities.*

1 — OPERATION

S11 Steam Power Production — (Class C)

This account includes all the expenses provided for under the following heads:

S111 Station Wages — (Class B)

Charge to this account the expenses defined in the following accounts:

S111a Superintendence — (Class A)

Charge this account with the cost of superintendence of the steam power generating plant.

This account includes the salaries of the superintendent of the power plant, chemists at plant, draftsmen, foremen and all

clerical help upon records and accounts pertaining to steam power generation, whether at the general office or at the plant. Charge also with the proportion of the salaries of the engineering staff assignable to the steam power plant.

If energy is also generated by hydraulic power or gas power, or both, the total cost of superintendence will be apportioned over the corresponding superintendence accounts.

S111b Boiler Labor — (Class A)

Charge this account with the cost of all operating labor employed in the generation of steam. This account shall be charged with the wages of boiler house foremen, firemen, helpers, shovelers, weighers, feed-pump men, stokers, blowing flues, cleaning boilers, labor employed at the boiler plant in handling coal and ashes, boiler plant janitors, watchmen, etc.

When another utility or department makes a demand upon the same boiler plant a proportion of the salary of the power plant superintendent shall be charged to this account.

S111c Engine Labor — (Class A)

Charge this account with the cost of all labor operating steam prime mover equipment. This includes such labor as that of chief engineers and assistants, engineers, oilers, wipers, machinists, and all other employees whose duties concern the operation of such steam prime movers.

S111d Electrical Labor — (Class A)

Charge to this account the cost of all labor operating the electric apparatus and devices driven by steam power, beginning with the generators, direct connected or belted to the prime movers, including the power plant switchboard, feeders, terminal board and to where the electric current leaves the power plant switchboard for the transmission or distribution system. This account includes the wages of system operators or load dispatchers, foremen over regulators, regulators and assistants, generator attendants, switchboard attendants, brushmen, electric wipers, power plant wiremen and all other employees whose duties are the operation of the steam power plant electrical equipment.

If energy is also generated by hydraulic or by gas power, or by both, and such electrical apparatus is attended jointly by the same electrical labor, such labor shall be properly apportioned over the respective classes of Power accounts.

S111e Miscellaneous Labor — (Class A)

Charge this account with the wages of all employees in and about the steam power generating plant, engaged in operating the plant, including watchmen, labor cleaning buildings and yards, janitors, messengers and general labor not chargeable to any of the foregoing steam power plant operating labor accounts.

If energy is also generated at the station by other than steam power, labor charges jointly incurred shall be apportioned accordingly over the appropriate classes of Power accounts.

When another utility or department makes a demand upon the same boiler plant, the proportion of labor provided for herein, devoted to the generation of steam shall not be charged to this account but to "Boiler Plant Labor".

S112 Fuel for Steam — (Classes A and B)

Charge this account with the cost of all fuel used for generating steam, whether coal, oil, gas or other fuel, at the cost f. o. b. point of delivery at plant. This includes the invoice cost of the fuel, freight, switching, demurrage, cost of unloading and cartage to point of delivery at plant.

"Fuel Stock" account is debited when fuel is received and credited when fuel is used.

This account will be credited with all revenue received from the sale of ashes, and any special expense incurred in disposing of ashes should be charged here.

S113 Water for Steam — (Classes A and B)

Charge this account with the cost of water used for boiler feed and condensing purposes, including water purification labor. If water is purchased, charge at contract price or meter rate. Water for fire protection and general purposes should not be charged to this account.

Sub-accounts shall be credited with revenue received from the sale of exhaust steam and charged with all expense incurred in connection therewith. Periodically such sub-accounts shall be closed into this account, or (at the option of the utility) into such other expense account or accounts which were charged with the labor and materials resulting in the by-product sold.

S114 Lubricants — (Classes A and B)

Charge this account with the cost of all lubricants for steam prime movers and machinery connected therewith in the steam power plant of the electric utility, and also all lubricants used on electrical apparatus driven by steam power. This includes cylinder oil, machine oil, dynamo oil, graphite and other lubricants, but does not include transformer oil, wagon grease or oil for lanterns.

Charge also to this account the cost of recovering oil from waste and the cost of filtering and handling.

S115 Station Supplies and Expenses — (Class B)

Charge this account with all operating supplies used and expenses incurred in the generation of electric energy by steam power not chargeable to any of the preceding accounts. This includes such items as waste, packing, wipers, hand tools, gas and electricity for lighting, heating and cleaning power plant, laboratory supplies, ice, water for general use and fire protection, and all items of similar nature.

Where current is also generated at the plant by hydraulic power or gas power or both, the total cost of miscellaneous supplies and expenses as herein enumerated, shall be apportioned over the respective classes of power accounts.

For Class "A" Utilities or when a department of a "B" class utility makes demand upon the same boiler plant, this account shall be sub-divided to show separately the supplies used and expenses incurred in the generation of steam, and the supplies used and expenses incurred in the generation of current by steam. The following accounts are provided for Class "A":

S115a Steam Supplies and Expenses
S115b Power Plant Supplies and Expenses

S116 Steam Generated (Apportionment Account) — (Classes A and B)

This account will be raised only by those companies operating another utility or department upon the same boiler plant with the electric utility.

Where such demand is made upon the boiler plant, the balances to the detail accounts, showing the cost of generating steam as provided for under this group of accounts shall, at the close of the period, be transferred to this account. The total cost of steam as then here shown, shall be apportioned to the utilities or departments using the steam by a credit to this account. The balance remaining in this account will show the cost of steam for generating current.

The details of the steam expenses as shown in the group of steam accounts will be called for in the report to the Public Utilities Commission.

NOTE: *This account will be charged with "Operation" Accounts Nos. S111b, S112, S113, S115a and S117, and with "Maintenance" accounts Nos. S211a and S212a.*

S117 Steam Purchased — (Classes A and B)

Charge this account with the cost of all steam purchased for prime mover power in the electric power plant. This account should be so kept as to indicate the name of the company or concern from whom the steam was purchased, the amount purchased, and the terms under which it was purchased.

NOTE: *Accounts S111 to S117 inclusive, are combined for Class "C" utilities into Account No. S11 — "Steam Power Production".*

G11 GAS POWER PRODUCTION — (Class C)

This account includes all the expenses provided for under the following heads:

G111 Station Wages — (Class B)

Charge to this account the expenses defined in the following accounts:

G111a Superintendence — (Class A)

Charge this account with the cost of superintendence of the gas power generating plant. This account includes the salaries of the superintendent of power plant, chemists at plant, draftsmen, foremen and all clerical help upon records and accounts pertaining to gas power generation, whether at the general office or at the plant. Charge also with the proportion of the salaries of the engineering staff assignable to the gas power plant.

If energy is also generated by steam power or by hydraulic power or both, the total cost of superintendence will be apportioned over the corresponding Superintendence accounts.

G111b Gas Producer Labor — (Class A)

Charge this account with the cost of all operating labor employed in the production of power gas, including the handling of fuel from the storage pile to the gas generator building and handling of residuals from said building to the point where residuals are placed when removed from the building.

When another utility or department makes a demand upon the same gas producer plant, a proportion of the salary of the power plant superintendent shall be charged to this account.

G111c Engine Labor — (Class A)

Charge this account with the cost of all labor operating gas prime mover equipment. This includes such labor as that of chief engineer and assistants, engineers, oilers, wipers, machinists and all other employees whose duties concern the operation of such gas prime movers.

G111d Electrical Labor — (Class A)

Charge to this account the cost of all labor operating the electric apparatus and devices driven by gas power, beginning with the generators, direct connected or belted to the prime movers, including the power plant switchboard, feeders, terminal board and to where the electric current leaves the power plant switchboard for the transmission or distribution system. This account includes the wages of system operators or load dispatchers, foremen over regulators, regulators and assistants, generator attendants, switchboard attendants, brushmen, electric wipers, power plant wiremen and all other employees whose duties are the operation of the gas power plant electrical equipment.

If energy is also generated by steam power or hydraulic power, or both, and such electrical apparatus is attended jointly by the same electrical labor, such labor shall be properly apportioned over the respective classes of Power accounts.

G111e Miscellaneous Labor — (Class A)

Charge this account with the wages of all employees in and about the gas power generating plant engaged in operating the plant, including watchmen, labor cleaning buildings and yards, janitors, messengers and general labor not chargeable to any of the foregoing gas power plant operating labor accounts.

If energy is also generated at the station by other than gas power, labor charges jointly incurred shall be apportioned accordingly over the appropriate classes of Power accounts.

When another utility or department makes a demand upon the same gas producer plant, the proportion of labor provided for herein, devoted to the production of gas shall not be charged to this account, but to account "Gas Producer Labor".

G112 Gas Producer Fuel — (Classes A and B)

Charge this account with the cost of all fuel used for producing gas, at the cost f. o. b. point of delivery at plant. This includes the invoice cost of the fuel, freight, switching, demurrage, cost of unloading and cartage to point of delivery at plant.

"Fuel Stock" account is debited when fuel is received and is credited when fuel is used. Sub-accounts shall be credited with revenues received from the sale of by-products and charged with the expenses incurred in connection therewith. Periodically such sub-accounts shall be closed into "Gas Producer Fuel".

G113 Gas Producer Water — (Classes A and B)

Charge this account with the cost of water used in the production of gas for power purposes. If water is purchased, charge at contract or meter rate. Water for fire protection and general purposes should not be charged to this account.

G114 Lubricants — (Classes A and B)

Charge this account with the cost of all lubricants for gas prime movers and machinery connected therewith in the gas power plant of the electric utility, and also of lubricants used on electrical apparatus driven by gas power. This includes cylinder oil, machine oil, dynamo oil, graphite and other lubricants, but does not include transformer oil, wagon grease, or oil for lanterns.

Charge also to this account the cost of recovering oil from waste and the cost of filtering and handling.

G115 Station Supplies and Expenses — (Class B)

Charge this account with all operating supplies used and expenses incurred in the generation of electric energy by gas power not chargeable to any of the preceding accounts. This includes such items as waste, packing, wipers, hand tools, gas and electricity for lighting, heating and cleaning power plant, laboratory supplies, ice, water for general use and fire protection and all items of similar nature.

Where current is also generated at the plant by steam or hydraulic power, or both, the total cost of the miscellaneous supplies and expenses as herein enumerated, shall be apportioned over the respective classes of power accounts.

For Class "A" utilities, or when a department of a "B" Class utility makes demand upon the same gas producer plant, this account shall be subdivided to show separately the supplies used and the expenses incurred in the production of gas, and the supplies used and the expenses incurred in the generation of current by gas. The following sub-accounts are provided for Class "A".

G115a Gas Producer Supplies and Expenses

G115b Power Plant Supplies and Expenses

G116 Water for Cooling Engines — (Classes A and B)

Charge this account with the cost of all water used and expenses incurred in connection therewith, for cooling prime gas movers.

G117 Power Gas Produced (Apportionment Account)—(Classes A and B)

This account will be raised only by those companies operating another utility or department upon the same gas producer plant with the electric utility.

Where such demand is made upon a gas producer plant, the balances of the detailed accounts, showing the cost of producing gas provided for under this group of accounts shall, at the close of the period, be transferred to this account. The total cost of gas as then here shown, shall be apportioned to the utilities or departments using the gas by a credit to this account. The balance remaining in this account will show the cost of gas for generating current.

The details of the gas producer expenses as shown in the group of gas producer accounts will be called for in the report to the Public Utilities Commission.

NOTE: *This account will be charged with "Operation" Accounts Nos. G111b, G112, G113, G114, G115a, G116 and G118, and with "Maintenance" Accounts Nos. G211a and G212a.*

G118 Power Gas Purchased — (Classes A and B)

Charge this account with the cost of all gas purchased for prime mover power in the electric power plant. This account should be kept as to indicate the name of the company or concern from which the gas was purchased, the amount purchased, and the terms under which it was purchased.

W11 ' Water Power Production — (Class C)

This account includes all the expenses provided for under the following heads:

W111 Station Wages — (Class B)

Charge to this account the expenses defined in the following accounts:

W111a Superintendence — (Class A)

Charge this account with the cost of superintendence of the hydraulic power generating plant. This account includes the salaries of the superintendent of the power plant, chemists at plant, draftsmen, foremen, and all clerical help upon records and accounts pertaining to hydraulic power generation, whether at the general offices or at the plant. Charge also with the proportion of the salaries of engineering staff assignable to the hydraulic power plant.

If energy is also generated by steam or gas power, or both, the total cost of superintendence will be apportioned over the corresponding superintendence accounts.

W111b Water Power Labor — (Class A)

Charge to this account the wages of all employees operating the hydraulic works, including foremen, gatemen, wheelmen, canalmen, controllers of reservoirs, dams and canals, and all other employees whose duties concern the operation of the hydraulic power plant equipment.

W111c Electrical Labor — (Class A)

Charge to this account the cost of all labor operating the electric apparatus and devices driven by hydraulic power, beginning with the generators, direct connected or belted to the hydraulic motive power, including the power plant switchboard, feeders, terminal board, and to where the electric current leaves the power plant switchboard for the transmission or distribution system. This account includes the wages of system operators or load dispatchers, foremen over regulators, regulators and assistants, generator attendants, switchboard attendants, brushmen, electric wipers, power plant wiremen and all other employees whose duties are the operation of the hydraulic power plant electrical equipment.

If energy is also generated by gas or steam power, or both, and such electrical apparatus is attended jointly by the same electrical labor, such labor shall be properly apportioned over the respective classes of Power accounts.

W111d Miscellaneous Labor — (Class A)

Charge this account with the wages of all employees in and about the hydraulic power generating plant engaged in operating the plant, including watchmen, labor cleaning buildings and yards, janitors, messengers, and general labor not chargeable to

any of the foregoing hydraulic power plant operating labor accounts.

If energy is also generated at the station by other than hydraulic power, labor charges jointly incurred shall be apportioned accordingly over the appropriate classes of Power accounts.

W112 Water for Power — (Classes A and B)

Charge to this account the cost of water purchased for the purpose of operating motive power equipment for the generation of electric energy. This account should be so kept as to indicate the name of the company or concern from whom the water was purchased, the amount of water power purchased, and the terms under which it was purchased.

W114 Lubricants — (Classes A and B)

Charge this account with the cost of all lubricants for hydraulic prime movers and machinery connected therewith in the hydraulic power plant of the electric utility, and also all lubricants used on electrical apparatus driven by hydraulic power. This includes machine oil, dynamo oil, graphite and other lubricants, but does not include transformer oil, wagon grease or oil for lanterns.

Charge also to this account the cost of recovering oil from waste and the cost of filtering.

W115 Station Supplies and Expenses — (Classes A and B)

Charge this account with all operating supplies used and expenses incurred in the generation of electric energy by hydraulic power not chargeable to any of the preceding accounts. This includes such items as waste, packing, wipers, handtools, gas and electricity for lighting, heating and cleaning power plant, laboratory supplies, ice, water for general use and fire protection, and all items of a similar nature.

Where current is also generated at the plant by steam power or gas, or both, the total cost of such Miscellaneous Supplies and Expenses as herein enumerated, shall be apportioned over the respective classes of Power accounts.

P11 Purchased Power — (Classes A, B and C)

Charge this account with the cost of all electric current purchased for the purpose of redistribution and sale. Sub-accounts are to be opened with each company or individual from whom such current is purchased, the account showing the name of the selling company or concern, the amount of current (in kilowatt hours) purchased, the rate per kilowatt hour and the total cost of such current.

Where current is purchased from another company under a contract with penalty attached for failure to furnish demand, credit this account and charge to "Cash" or "Account Receivable", the amount of such penalty. If such penalty is not known or cannot be readily determined, it shall be estimated, and errors in such estimates when determined, shall be adjusted through the accounts involved, if during the year in which the estimates were made; if later, then through Account No. 954 — Surplus Adjustments Prior Period.

Full details in connection with this account will be called for in the annual report to the Commission.

T11 TRANSFER OF POWER (Apportionment Account) — (Classes A, B and C)

This account will be raised by those plants operating two or more utilities using electric energy from the same source. In such cases, the total cost of generating energy for all the departments shall be determined through the foregoing groups of accounts, and the balances of these accounts shall then at the close of each period, be transferred to this account. The total cost of all energy generated as appearing in this account shall then be apportioned to the various other departments by credits to this account, thus leaving charged to this account the proportion of the total cost of power generated, properly chargeable to the electric utility.

This account shall also be regarded as an apportionment account of "Transmission" and "Storage" expenses where same are incurred previous to the apportionment of the electric energy to two or more utilities.

12 TRANSMISSION — (Class C)

This account includes all the expenses provided for under the following heads:

121 Transmission and Sub-station Wages — (Class B)

Charge to this account the expenses defined in the following accounts:

121a Transmission Wages — (Class A)

Charge to this account the labor cost of patrolling, inspecting and testing all overhead and underground transmission lines and cables, and their equipment, locating and clearing trouble, protecting lines from fires, floods, etc. and all work in connection with operating the transmission system which is not in the nature of repairs and renewals. When poles and fixtures and conduits contain both transmission and distribution lines and cables, the operating cost may be apportioned between this account and the proper distribution expense account.

121b Sub-station Wages — (Class A)

Charge to this account the cost of all operating labor employed in the superintendence and operation of sub-stations and transformer stations, including wages of regulators, brushmen and other employees engaged in operating the electric equipment, also the wages of clerks, janitors, watchmen, etc., at such sub-stations and transformer stations.

122 Transmission and Sub-station Supplies and Expenses — (Class B)

Charge to this account the expenses defined in the following accounts:

122a Transmission Supplies and Expenses — (Class A)

Charge to this account the cost of all supplies consumed and expenses incurred in connection with the operation of the transmission system, including the cost of operating Transmission Telephone Systems.

122b Sub-Station Supplies and Expenses — (Class A)

Charge this account with the cost of all operating supplies consumed and expenses incurred in connection with the operation of sub-stations and transformer stations, such as rent, light, heat, handtools, waste, wipers and similar items.

123 Transmission Subway Rentals — (Class A)

This account includes the rents payable accruing for ducts leased from other corporations or from a municipal corporation. In case the rented subway is used for distribution as well as for transmission, the rent may be apportioned between this account and Account No. 143 — "Distribution Subway Rentals".

13 STORAGE — (Class C)

This account includes all the expenses provided for under the following heads:

131 Operation of Storage Batteries — (Class B)

Charge to this account the expenses defined in the following accounts:

131a Storage Battery Wages — (Class A)

Charge this account with the cost of all operating labor employed in the superintendence and operation of storage batteries, including wages of clerks, inspectors, testers, battery men, etc. and labor incident to the operation of boosters.

131b Storage Battery Supplies and Expenses — (Class A)

Charge this account with the expenses of all storage battery operating supplies and expenses, embracing such items as acid and distilled water for the storage battery cells, soda, sponges, brooms, waste, rags, hydrometers, thermometers, automatic cell fillers, brushes for boosters and compensators, etc.

14 DISTRIBUTION — (Class C)

This account includes all the expenses provided for under the following heads:

141 Distribution Wages — (Class B)

Charge to this account the cost of labor and expenses incurred as defined in the following accounts:

141a Superintendence — (Class A)

Charge to this account the salaries and expenses of the superintendent of the distribution system, clerks, foremen, and also that portion of the engineering staff of the company which is assignable to distribution.

141b Distribution Labor — (Class A)

Charge this account with all labor and expenses of distribution system employees not elsewhere provided for.

141c Labor Setting and Removing Meters — (Class A)

Charge to this account the cost of labor and expenses incurred in removing and resetting meters on the premises of consumers and placing meters in the course of regular and periodical inspection of meters. The cost of original setting of each meter shall be charged to the fixed asset account "Meter Installations".

141d Labor Inspecting and Testing Meters — (Class A)

Charge this account with the cost of labor and expenses incurred in testing and inspecting meters, both on the premises of consumers and in the meter shop of the utility.

141e Labor Inspecting, Setting and Removing Transformers—(Class A)

Charge this account with the cost of labor and expenses incurred in removing and resetting transformers, either on the premises of the consumer, in manholes, or on poles adjoining such premises, and all inspection of transformers and their replacement in the course of their periodical test and inspection. The cost of the original setting of each transformer shall be charged to the fixed asset account "Transformers".

142 Distribution Supplies and Expenses — (Class B)

Charge to this account the expenses defined in the following accounts:

142a Distribution Supplies and Expenses — (Class A)

Charge this account with the cost of all supplies consumed and expenses incurred in connection with the operation of the distribution system and not chargeable to other distribution operating accounts. There will be charged to this account the cost, labor and expense of maps and records, distribution office supplies and expenses and distribution office rent, where such expense is directly chargeable.

142b Meter Department Supplies and Expenses — (Class A)

Charge this account with all supplies consumed and expenses incurred in connection with the operation of this department, not elsewhere provided for. Tools used in this department, together with the repairs upon the same, will be charged to this account unless such tools are included in the fixed assets of the utility. Expenses such as light, fuel, supplies, rent, and electricity, used for operating machinery and for testing in this department, and other similar items, will be charged to this account. This account will embrace all meter expenses not included in the meter labor accounts and the account "Repairs to Meters".

143 Distribution Subway Rentals — (Class A)

This account includes the rents payable accruing for underground conduits used for distribution conductors. (See Account No. 123).

15 Utilization — (Class C)

Charge to this account the expenses defined in the following accounts:

151 Municipal Arc Labor — (Classes A and B)

Charge this account with the labor of trimming and inspecting all municipal arc lamps operated, patrolling arc lamp circuits, setting and removing arc lamps, locating open circuits, crosses or circuits, and other arc lamp operating labor.

152 Municipal Arc Supplies and Expenses — (Classes A and B)

Charge this account with all operating supplies and expenses used in connection with the operation of municipal arc lamps. This includes the cost of carbons, globes, waste, reflectors, etc.

153 Municipal Incandescent Lamps — (Classes A and B)

Charge to this account all expenses incident to the inspection of municipal incandescent lamps and fixtures. Also charge to this account the cost, including labor and material, of renewing incandescent lamps in the municipal lighting system.

154 Commercial Arc Labor — (Classes A and B)

Charge this account with the labor of trimming and inspecting all commercial arc lamps operated, patrolling arc lamp circuits, setting and removing arc lamps, locating open circuits, crosses or circuits, and other arc lamp operating labor.

155 Commercial Arc Supplies and Expenses — (Classes A and B)

Charge this account with all operating supplies and materials used in connection with the operation of commercial arc lamps. This includes the cost of carbons, globes, waste, reflectors, etc.

156 Commercial Incandescent Lamps — (Classes A and B)

Charge to this account all expenses incident to the inspection of commercial incandescent lamps and fixtures.

Also charge to this account the cost of renewing incandescent lamps on consumers' premises and the cost of photometering such lamps. Credit to this account any rebate received for the return of stubs, or allowance relating thereto..

157 Consumers' Premises Expenses — (Classes A and B)

Charge to this account all expenditures in connection with maintaining the efficiency of consumers' installation on their premises, for which no charge is made to the consumer. This should include expenses incurred in investigating complaints, changing meters for request tests, inspecting and testing new wiring and fixtures, wiring consumers' premises, repairing wiring fixtures, inspecting, cleaning and repairing electrical signs and appliances on consumers' premises, and similar items of expense.

16 UNDISTRIBUTED — (Class C)

161 Stores Department Expenses — (Classes A and B)

Charge this account with the total expense incurred in operating the utility's stores department, including the cost of purchasing such stores and the salaries and wages of stockkeeper and his staff, clerks and other employees in the stock rooms and storage yards, and such expenses as storeroom and store yard rent, light, heat, etc.

NOTE: *Credit this account with all or such proportion of stores department expenses as it is desired to distribute, charging the proper expense or construction accounts.*

162 Stable and Garage Expenses — (Classes A and B)

Charge this account with all expenses incurred in operating stable and garage equipment, including wages of stable employees, drivers, teamsters, chauffeurs, employees operating industrial tramways, and other similar equipment, together with such expenses as water for stable use, feed, feeding, axle grease, blankets, shoeing horses, expense of stabling, repairing harnesses and vehicles, gasoline, kerosene, and other equipment supplies of a similar character.

NOTE: *Credit this account with all or such proportion of stable and garage expenses as it is desired to distribute, charging the proper expense or construction accounts.*

163 Shop and Laboratory Expenses — (Classes A and B)

Charge to this account all expenses incurred in operating shop and laboratory equipment, including salaries and wages of employees, together with such expenses as power, fuel, oil, smithing supplies and other shop and laboratory expenses of a similar character.

NOTE: *Credit this account with all or such proportion of shop and laboratory expense as it is desired to distribute, charging the proper expense or construction account.*

164 Inventory Adjustments (Dr. or Cr.) — (Classes A and B)

Charge or credit to this account any shortages or overages shown by the inventory of materials and supplies, which cannot be distributed to the proper construction or operating expense accounts.

2 — MAINTENANCE

S21 STEAM POWER PRODUCTION — (Class C)

This account includes all the expenses provided for under the following heads:

S211 Repairs to Station Structures — (Class B)

Charge this account with the expense of all labor and material incurred in repairing building and structures, including permanent apparatus foundations, used exclusively for the generation of electric energy by steam power, including outbuildings, toolhouses, etc.

If current is also generated by hydraulic power or gas power, or both, the maintenance of structures used jointly will be apportioned over the appropriate maintenance accounts in the respective groups of power accounts.

For class A utilities, or when departments of a class B utility make demand upon the same boiler plant, this account should be subdivided to show separately the repairs to structures devoted to the boiler plant and the repairs to the structures devoted to power plant. The following accounts should be raised for Class A.

S211a Repairs to Boiler Plant Structures.

b Repairs to Power Plant Structures.

S212 Repairs to Steam Power Plant Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

S212a Repairs to Boiler Plant Equipment — (Class A)

Charge to this account the cost of repairing all furnaces, fuel oil tanks and pipe lines, boilers and boiler apparatus, and accessories devoted to the production of steam for use in generating electrical energy. This includes boilers and valves thereto attached, appurtenant furnaces and grates, and flues leading to smokestacks and chimneys, and the specially provided foundations and settings of such boilers and appurtenances; also iron and steel smokestacks. It also includes mechanical stokers and other like apparatus for regulating the supply of fuel, etc., feed and hot water heaters and economizers, injectors, filters, feed pumps, blower pumps, coal conveyors, ash conveyors, water pipes, steam traps, drains and separators, pipes for conducting steam from the boiler to the engine, etc. It does not include repairs to steam pipes whose primary purpose is the heating of buildings.

S212b Repairs to Prime Movers — (Class A)

Charge this account with the expenses of all labor and materials incurred in repairing steam engines and steam turbines devoted to converting steam energy into mechanical energy for electric generation, including such engine and turbine accessories as the throttle valve and the governor, also condensers, air and circulating pumps, and lubricating systems.

S212c Repairs to Accessory Mechanical Equipment — (Class A)

Charge this account with the expense of all labor and material incurred in making repairs to the steam power plant accessory equipment, including the power transmission equip-

ment such as shafting, belting, rope and cable drives, clutches, pulleys and idler wheels, and motors, hoists, cranes, blacksmith and machinists' tools, and all other accessory equipment other than hand tools, the cost of which is to be included in Operating Expenses.

If electric energy is also generated at the power plant by other than steam power, the cost of maintaining power plant auxiliary equipment used for the joint benefit of the different methods of generation, will be apportioned over the appropriate maintenance accounts of the respective classes of Power Accounts.

S213 Repairs to Electrical Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

S213a Repairs to Generators — (Class A)

Charge to this account the expense of all labor and material incurred in repairing generators, alternators, exciters, and other electric generating apparatus driven by steam power, and with repairs to rotaries and motor-generator sets, etc., when not installed in connection with the transmission system.

If current is also generated at the station by gas power or hydraulic power, or both, the maintenance of all apparatus used jointly in generating current by the several methods will be apportioned over the appropriate maintenance accounts in the respective groups of Power Accounts.

S213b Repairs to Accessory Electrical Equipment — (Class A)

Charge to this account the expense of all labor and material used in repairing electric apparatus at the steam power generating plant, not included in the account "Repairs to Generators". This includes bus bars, regulators, cables, switchboards and other power plant electrical equipment such as circuit breakers, switches, ammeters, voltmeters, wattmeters, etc., together with their special foundations and setting and the terminal board. The maintenance of special high tension switchboards, switches, current transformers, lightning arresters, potential transformers, reactive coils, choke coils, grounding devices and resistances, raising and lowering transformers, etc., will also be charged to this account.

The maintenance of wiring for lighting the power plant will not be charged to this account, but to the account "Repairs to Station Structures".

NOTE: *The cost of repairs to electrical apparatus installed in the power house and used exclusively for Municipal Lighting, should be charged to Account No. 251 — Repairs to Municipal Lighting Equipment.*

G21 GAS POWER PRODUCTION — (Class C)

This account includes all the expenses provided for under the following heads:

G211 Repairs to Station Structures — (Class B)

Charge this account with the expense of all labor and material incurred in repairing buildings and structures, including permanent foundations for apparatus used exclusively for the generation of electric energy by gas power, including outbuildings, tool houses, etc.

If current is also generated in the same general buildings and structures by steam power or hydraulic power, or both, the maintenance of structure used jointly will be apportioned over the appropriate maintenance accounts in the respective groups of Power Accounts.

For Class A utilities, or when a department of Class B utility makes demand upon the same gas producer plant, this account shall be subdivided to show separately, the repairs to the structures devoted to the gas producer plant and the repairs to the structures devoted to the power plant. The following accounts shall be raised for class A:

G211a Repairs to Gas Producer Plant Structures

b Repairs to Power Plant Structures

G212 Repairs to Gas Producer Plant Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

G212a Repairs to Gas Producer Equipment — (Class A)

Charge this account with the expense of all labor and material incurred in repairing apparatus used for the production of gas for power purposes in the generation of electric energy. Also charge with the cost of repairing gas conductor and exhaust pipe and other auxiliary gas producer apparatus. This includes producers, economizers, regenerators, vaporizers, steam injectors, scrubbers, exhauster outfit, cells, specially provided boilers and pumps, flues and pipe, coal and ash conveyors and accessory equipment, blower engines, holders, and all similar auxiliary equipment.

G212b Repairs to Gas Engines — (Class A)

To this account shall be charged the expense of all labor and supplies incurred in repairing gas engines and turbines devoted to the production of electric energy, including inlet valves, governors, ignition and starting apparatus. The maintenance of power transmission apparatus as belts, shafts, etc., will not be charged to this account.

G212c Repairs to Accessory Mechanical Equipment — (Class A)

Charge this account with the expense of all labor and supplies incurred in making repairs to auxiliary equipment in the gas power generating plant, including power transmission equipment such as shafting, belting, rope and cable drives, clutches, pulleys, and idler wheels, motors, hoists, cranes, blacksmith and machinists' tools and all other gas power plant accessory equipment other than hand tools, the cost of which is to be included in operating expenses.

Where electric energy is also generated at the same plant by steam or hydraulic power, repairs to auxiliary equipment operated for the joint benefit of all methods of current generation, will be apportioned over the respective classes of Power Accounts.

G213 Repairs to Electrical Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

G213a Repairs to Generators — (Class A)

Charge this account with the expense of repairing generators.

alternators, exciters, and other electric generating apparatus driven by gas power and with repairs to rotaries and motor-generators, etc., when not installed in connection with the transmission system. If current is also generated at the station by steam power or hydraulic power, or both, the maintenance of all apparatus used jointly for current generated by the respective methods shall be apportioned over the appropriate maintenance accounts in the respective groups of Power Accounts.

G213b Repairs to Accessory Electrical Equipment — (Class A)

Charge to this account the expense of all labor and supplies incurred in repairing electric apparatus at the gas power generating plant not included in the account "Repairs to Generators". This includes bus-bars, regulators, cables, switchboards, and other power plant electrical equipment such as circuit breakers, switches, ammeters, voltmeters, wattmeters, etc., together with their special foundations and settings and terminal board. The maintenance of special high tension transmission equipment at the gas power generating station such as high tension bus-bars, switchboards, lightning arresters, potential transformers, reactive coils, choke coils, grounding devices and resistances, raising and lowering transformers, etc., shall also be charged to this account.

The maintenance of wiring for lighting the power plant will not be charged to this account, but to the account "Repairs to Station Structures".

W21 Water Power Production — (Class C)

This account includes all the expenses provided for under the following heads:

W211 Repairs to Station Structures — (Classes A and B)

Charge this account with the expenses of all labor and material incurred in repairing buildings and structures, including permanent foundations for apparatus, used exclusively for the generation of electric energy by hydraulic power, including outbuildings, tool houses, etc.

If current is also generated by other than hydraulic power, the maintenance of buildings, fixtures and grounds used for the joint benefit of the several methods of generation, will be apportioned over the appropriate "Maintenance" accounts in the respective classes of Power Accounts.

W212 Repairs to Water Power Plant Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

W212a Repairs to Dams, Canals and Pipe Lines — (Class A)

Charge to this account the expense of all labor and supplies incurred in repairing hydraulic structures, such structures include dams, embankments, etc., for impounding water, and all appurtenant gates, valves, weirs, wasteways, canals, conduits, and other channels (including rip-rap, lining walls, etc.), pipe lines, flumes, aqueduct and supporting trestles, forebays and appurtenant sieves and grids, wasteways, etc., all viaducts, bridges, foot bridges, etc., over and accessory to or necessitated by such canals, aqueducts, and flumes, and also the wasteways conducting water from the outlet of the draft tube to the point

of final discharge. If desired the following sub-accounts may be opened to this account:

W212aa — Repairs to Dams and Intakes.
W212ab — Repairs to Flumes and Canals.
W212ac — Repairs to Reservoirs and Forebays.
W212ad — Repairs to Penstocks and Tailraces.

W212b Repairs to Turbines and Water Wheels — (Class A)

Charge to this account the cost of all labor and material incurred in repairing turbines and water wheels and their governors and accessories, which includes all equipment from penstocks to tailraces such as gates, valves, pumps, piping, etc., used in connection with the turbines, water wheels or governors. Some of the principal items under this account are needle valves, nozzles, deflecting hoods, relief valves, air compressors for surge tanks, pumps for governors and necessary piping in connection therewith.

W212c Repairs to Accessory Mechanical Equipment — (Class A)

Charge this account with the expense of all labor and supplies incurred in repairs to the hydraulic power plant accessory equipment, including power transmission equipment such as shafting, belting, rope and cable drives, clutches, pulleys and idler wheels, motors, hoists, cranes, blacksmith and machinists' tools, and all other accessory equipment other than hand tools, the cost of which is to be included in operating expenses.

If electrical energy is also generated at the station by other than hydraulic power, the cost of maintaining power plant auxiliary equipment used for the joint benefit of the different methods of generation will be apportioned over the appropriate maintenance accounts in the respective classes of Power Accounts.

W213 Repairs to Electrical Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

W213a Repairs to Generators — (Class A)

Charge this account with the expense of all labor and supplies incurred in repairing generators, alternators, exciters, and other electric generating apparatus driven by hydraulic power, and also with repairs to rotaries, motor generator sets, etc., when not installed in connection with the transmission system.*

W213b Repairs to Accessory Electrical Equipment — (Class A)

Charge to this account the expense of all labor and supplies incurred in repairing electric apparatus at the hydraulic power generating plant not included in the account "Repairs to Generators". This includes bus-bars, regulators, cables, switchboards and other power plant electrical equipment such as circuit breakers, switches, ammeters, voltmeters, wattmeters, etc., together with their special foundations and settings and the terminal board. The maintenance of special high tension transmission equipment at the power plant such as high tension busbars, switchboards, tension switches, current transformers, lightning arresters, potential transformers, reactive coils, choke coils, grounding devices and resistances, raising and lowering transformers, etc., shall also be charged to this account. The maintenance of wiring for lighting the hydraulic power plant will

not be charged to this account but to the account "Repairs to Station Structures".*

NOTE: **If energy is also generated at the station by other than hydraulic power, the maintenance of all apparatus used for the joint benefit of the several methods of generation will be apportioned over the appropriate maintenance accounts in the respective classes of Power Accounts.*

22 TRANSMISSION — (Class C)

This account includes all the expenses provided for under the following heads:

221 Repairs to Sub-station Structures and Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

221a Repairs to Sub-station Structures — (Class A)

Charge this account with the expense of all labor and material incurred in repairing sub-station and transformer station buildings, fixtures and grounds, together with all permanent fixtures therein and appurtenant thereto, including work on streets, drives, sidewalks, vaults, pits, sheds, and permanent foundations of apparatus.

221b Repairs to Sub-station Equipment — (Class A)

Charge this account with the expense of all labor and material incurred in repairing apparatus in the sub-station and transformer stations, including transformers, boosters, rotary converters, moter generator sets, station cables, switchboards and instruments, station terminal boards, etc.

This account does not include the cost of repairing storage battery equipment.

222 Repairs to Transmission System — (Class B)

Charge to this account the expenses defined in the following accounts:

222a Repairs to Overhead Transmission Lines — (Class A)

Charge to this account the expense of all labor and material incurred in making repairs to the overhead transmission system. This includes repairing, relocating and repainting poles and pole fixtures, repairs to cross arms, insulators, insulator pins, braces, brackets, and other pole fixtures and appliances; guys and other supports for holding poles, towers and other structures in position, painting towers, repairs to towers and other appliances for supporting the overhead transmission system, the repairs to transmission conductors between the generating plant and the sub-station, and repairs to Transmission Telephone Systems.

The cost of maintaining poles, towers, and other supporting fixtures which carry both transmission and distribution conductors may be apportioned between this account and the Account No. 241a — Repairs to Overhead Distribution Lines.

If desired, sub-accounts may be opened to this account:

222aa — Repairs to Transmission Poles and Fixtures.

222ab — Repairs to Overhead Transmission Conductors.

222b Repairs to Underground Transmission Lines — (Class A)

Charge to this account the expense of all labor and material incurred in making repairs to the underground transmission system. This includes repairs to underground transmission con-

duits, manholes, sewer connections, sewer traps, and paving, underground cables, both feeders and mains, together with services in connection with the same.

The cost of maintaining underground conduits used jointly by transmission and distribution conductors may be apportioned between this account and the Account No. 241b — Repairs to Underground Distribution Lines.

If desirable the following sub-accounts may be opened to this account:

222ba — Repairs to Underground Transmission Conduits.

222bb — Repairs to Underground Transmission Conductors.

23 STORAGE — (Class C)

231 Repairs to Storage Battery Structures and Equipment — (Class B)

Charge to these accounts, for the respective classes as indicated above, the expenses defined in the following accounts:

231a Repairs to Storage Battery Structures — (Class A)

Charge to this account the expense of all labor and material incurred in repairing buildings and structures used exclusively for storage battery purposes. If the storage battery is housed in one of the general power plant buildings or in the sub-station or transformer station buildings, the repairs to such buildings, fixtures and grounds, may be apportioned so as to charge to this account the proper proportion of the total cost of repairs to such jointly occupied buildings.

231b Repairs to Storage Battery Equipment — (Class A)

Charge this account with the expense of all labor and material incurred in repairing storage battery equipment, such as storage battery tanks, switches, regulating apparatus, boosters, compensators, renewal of worn out cells, including diaphragms, negative and positive plates, lead in strip, spelter, dry boards, tin bands, sheet lead, glass plates, glass covers, hydrogen generators, jumpers, clamps, lamp black, and items of a similar nature.

If desired, the following sub-accounts may be opened to this account:

231ba — Repairs to Storage Batteries.

231bb — Repairs to Storage Battery Accessories.

24 DISTRIBUTION — (Class C)

This account includes all the expenses provided for under the following heads:

241 Repairs to Distribution System (Class B)

Charge to this account the expenses defined in the following accounts:

241a Repairs to Overhead Distribution Lines — (Class A)

Charge to this account all expenditures for repairs of overhead distribution lines, including labor, material, tools and expenses. This embraces repairing, relocating and repainting poles, repairing pole fixtures and appliances, including cross arms, insulators, insulator pins, braces, brackets, and all other pole fixtures and appliances; guys and other supports for holding poles, towers and other structures in position, also repairs of towers and painting towers.

Repairs to towers or other structures, or appliances for supporting fixtures which carry both transmission and distribution conductors, may be apportioned between this account and the Account No. 222a — Repairs to Overhead Transmission Lines.

If desired, the following sub-accounts may be opened to this account:

241aa — Repairs to Distribution Poles and Fixtures.

241ab — Repairs to Overhead Distribution Conductors.

241b Repairs to Underground Distribution Lines — (Class A)

Charge to this account all expenditures for repairs of underground distribution system, including labor, material, tools, and expenses. This includes repairs of conduits, manholes, sewer connections, sewer traps and paving; repairs of underground distribution system conductors, repairs of underground tube system, including coupling boxes, tubing, junction boxes, manholes and paving in connection therewith. The cost of maintaining conduits which carry both transmission system conductors and distribution system conductors may be apportioned between this account and the Account No. 222b — Repairs to Underground Transmission Lines.

If desired, the following sub-accounts may be opened to this account:

241ba — Repairs to Underground Distribution Conduits.

241bb — Repairs to Underground Distribution Conductors.

242 Repairs to Transformers — (Classes A and B)

Charge this account with the expense of all labor and materials incurred in repairing transformers, including renewing oil, repainting, rewinding and repairs to transformers and transformer devices on, or adjoining consumers' premises.

243 Repairs to Services — (Classes A and B)

Charge to this account the expense of all labor and material incurred in repairing overhead and underground services between the distribution mains and the customers' premises.

If desired, the following sub-accounts may be opened:

a — Overhead.

b — Underground.

244 Repairs to Meters — (Classes A and B)

Charge to this account the expense of all labor and materials incurred in repairing meters or indicators in the distribution system, including readjusting, cleaning, and painting old meters, new meter parts, consisting of jewels, pivots, magnets, etc.

25 Utilization — (Class C)

Charge to this account the expenses defined in the following accounts:

251 Repairs to Municipal Lighting Equipment — (Classes A and B)

Charge this account with the expense of all labor and supplies incurred in the repair of municipal lamps and lighting equipment, repairing of lamps in the utility's repair shop, readjusting lamps and lamp equipment, renewal of defective parts, renewal of cutouts, repairs and renewal of mast-arms, hangers, etc.; repairing, relocating and repainting lamp poles, etc.; also for all labor and material expense incurred in stations and sub-stations; for repairs

to synchronous motor-generator sets for series high tension arc lamps; transformers and regulators for series alternating current arc lamps; transformers, compensators, rectifier tubes, tanks, oils, etc., for series magnetite arc lamps; also for all labor and material expense incurred in repairs to equipment installed in stations and used exclusively for municipal lighting.

252 Repairs to Commercial Lighting Equipment — (Classes A and B)

Charge this account with the expense of all labor and supplies incurred in the repair and renewal of commercial lamps and lighting equipment other than defined in preceding account. This includes the cost of removing lamps and lamp equipment, repairing of lamps in the utility's repair shop, readjusting lamps and lamp equipment, renewals of defective parts, renewal of cutouts, repairs and renewal of mast-arms, hangers, etc.; repairing, relocating and repainting lamp poles, etc.

26 UNDISTRIBUTED — (Class C)

This account includes all the expenses provided for under the following heads:

260a Repairs to General Office Structures and Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

261 Repairs to General Office Structures — (Class A)

Charge this account with the expense of all labor and material incurred in the repair of the general office buildings and structures, including elevators, vaults, heating and lighting fixtures and appurtenant sidewalks, lawns, fences, drives, etc.

262 Repairs to General Office Equipment — (Class A)

Charge this account with the expense of all labor and material incurred in the repair of the general office equipment, including furniture and furnishings, office apparatus and appliances, etc.

260b Repairs to Stores, Shops, Garages, Stables, Etc. — Structures and Equipment — (Class B)

Charge to this account the expenses defined in the following accounts:

263 Repairs to Stores, Shops, Garages, Stables, Etc. — Structures — (Class A)

Charge this account with the cost of all labor and material expense incurred in making repairs to the structures housing the miscellaneous equipment. This includes all expense of maintaining these buildings, fixtures and grounds. Each utility is at liberty to open sub-accounts in which to segregate the cost of maintaining the structures in these various departments, according to its individual needs.

264 Repairs to Stores, Shops, Garages, Stables, Etc. — Equipment — (Class A)

Charge to this account the cost of all labor and material expense incurred in making repairs to any miscellaneous equipment. Each utility is at liberty to open sub-accounts in which to segregate the cost of maintaining the equipment in these various departments, according to its individual needs.

NOTE: *Credit the two preceding accounts, Nos. 263 and 264, with all or such proportion of the expenses of maintaining stores, shops, garages or stable structures and equipment, as it is desired to distribute, charging the proper construction or expense accounts.*

27 DEFERRED UPKEEP (Reserve credit) — (All Classes)

This account has been sub-divided for Class A Utilities as follows:

271 Extraordinary Repairs.

272 Renewals and Replacements.

273 Contingencies.

For definitions and detailed instructions see Page 99

3 — GENERAL EXPENSES

31 ADMINISTRATIVE EXPENSES — (Class C).

Charge to this account the expenses defined in the following accounts:

310a Salaries and Expenses of Administrative Officers — (Classes A and B)

311 Charge this account with the salaries, traveling and other expenses of general officers, including president, vice-president, secretary, treasurer, comptroller, auditor, general manager, and all other officers whose jurisdiction extends over the entire business, and whose services are not chargeable to any particular department.

310b General Office Salaries and Expenses — (Class B)

Charge to this account the expenses defined in the following accounts:

312 Salaries and Expenses of Other Office Employees — (Class A)

Charge this account with the salaries, traveling and other expenses of all clerks and assistants connected with the general offices except such as may be directly engaged in other departments, in which case their compensation shall be charged to such department directly. Where general office clerks also perform services for other departments, their compensation shall be apportioned accordingly, and charged to the respective departmental accounts.

313 General Office Rent — (Class A)

Charge this account with all rent paid for general offices.

314 General Office Supplies and Expenses — (Class A)

Charge this account with the cost of all office supplies and expenses, newspapers and periodicals, messenger and janitor service, directory, telegrams, exchange on remittances, etc.

310c General Expenses — (Class B)

Charge to this account the expenses defined in the following accounts:

315 Miscellaneous General Expenses — (Class A)

Charge this account with the cost of all miscellaneous general expenses embracing such items as publishing annual reports in newspapers, advertising notices of stockholders' meeting, dividend notices, and other corporate and financial notices of a general character, association dues, expenses attending conventions and meetings, subscriptions and donations, fees of transfer agents, registrars of stock, and fiscal agents and other contingent expenses of management not otherwise provided for.

316 Law Expenses — General — (Class A)

Charge to this account all law expenses except those incurred in connection with the defense and settlement of injury and damage claims. Charge with salaries and expenses of counsel, solicit-

ors and general attorneys, their clerks and attendants, etc. Charge also with the cost of law books, printing briefs, legal forms, testimony, reports, fees and retainers of general counsel and attorneys, court costs, and payments of specific notarial and witness fees, expense of taking depositions and other general law and court expenses. Expenses of arbitrators of disputed points will also be charged to this account.

Salaries, fees and retainers of counsel and attorneys engaged in the defense and settlement of injury and damage suits will be charged to the Account No. 33 — Injuries and Damages.

317 Stationery and Printing — (Class A)

Charge to this account all undistributed expenses for stationery and printing, stationery supplies and postage, blanks, record books, etc., except as hereinbefore provided.

318 Relief and Pensions — (Classes A and B)

Charge to this account pensions paid to retired employees or representatives of former employees, and expenses in connection therewith; also salaries and expenses incurred in conducting a relief department and contributions made to such a department.

32 Commercial and Business Promotion Expenses —

321 Commercial Expenses — (Classes B and C)

Charge to this account the expenses defined in the following accounts:

321a Meter Reading Salaries and Expenses — (Class A)

Charge to this account all labor employed in the reading of demand and recording meters, including lamps and sealing pliers, etc. This account will also include the cost of counting consumers' installations and petty expenses of meter readers.

321b Collections — Salaries and Expenses — (Class A)

Charge to this account all labor and expense incurred in the collection of consumers' accounts, including salaries of collection office employees, collectors, cashiers, assistants, and all petty expenses of employees engaged in the work. There will also be charged to this account the proportion of the consumer's accounting department expenses which may be properly chargeable to collection work, such as making up of collectors' statements, stationery, printing, office supplies and cost of delivering bills.

321c Contract Office — Salaries and Expenses — (Class A)

Charge to this account that part of the Contract Department expense which is not assignable to the "Promotion of Business". This account will include the proper proportion of contract manager and assistants' salaries, also salaries of clerks assigned to give attention to bill questions, receive applications, etc.

Note: *This does not include the cost of demonstrating electric devices or display window trimmings, which will be charged to Account No. 322d — Miscellaneous Business Promotion Expenses.*

321d Consumers' Accounting — Salaries and Expenses — (Class A)

Charge to this account the cost of keeping the accounts of consumers, including the salaries of office manager and assistants in charge of the work, and salaries of all bookkeepers and clerks in the accounting department having to do with

consumers' accounts. This account will also include stationery, printing and miscellaneous office supplies and expenses which are directly chargeable to consumers' accounting.

NOTE: *When consumers' accounting department clerks perform services for other departments, their compensation will be apportioned accordingly, and charged to the respective departmental accounts.*

322 Business Promotion Expenses — (Classes B and C)

Charge to this account the expenses defined in the following accounts:

322a Canvassing and Soliciting — (Class A)

Charge to this account the salaries of the promotion of business manager and assistants, salaries and commissions paid to canvassers, solicitors and contractors, also the cost of preparing estimates, engineering advice on wiring, etc., and sundry expenses in connection therewith.

322b Advertising — (Class A)

Charge to this account all expenses of advertising incurred for the promotion and extension of the business, including salaries and expenses of advertising manager and clerks, printed advertisement, whether newspaper or circular, posters, bulletins, booklets, and all related expenses.

322c Wiring — (Class A)

Charge this account with the amounts allowed owners of old houses to cover part of the cost of wiring in order to induce new business.

322d Miscellaneous Business Promotion Expenses — (Class A)

Charge to this account all labor and expenses incurred in the promotion of business not directly chargeable to the preceding "Promotion of Business" accounts. This will include salaries and expenses of demonstrators, cost of trimming stores and windows for displaying electrical devices, and miscellaneous promotion store and office supplies and expenses.

33 INJURIES AND DAMAGES — (Classes B and C)

Charge to this account the expenses defined in the following accounts:

331 Injuries to Persons — (Class A)

Charge to this account all expenses incident to injury and death to employees and other persons for whose injury or death the company is held liable, or in settlement of which claims allowances are made. This embraces judgments for damages and court costs; proportion of salaries and expenses or fees of physicians and surgeons; expenses of undertaker, nurses, and hospital attendants; medical and surgical appliances, contributions to hospitals, transportation of injured persons, and salaries and wages paid to employees while disabled. Salaries and expenses of claim agents, adjusters, and their assistants, will be charged to this account; compensation of solicitors and counsel and other attorneys while engaged in defense of settlement of damage suits, will be charged to this account.

332 Damages to Property — (Class A)

Charge this account with all damages to, or destruction of, property other than that owned by the company, including the

cost of restoring the property. This embraces judgment for damages and court costs and compensation of solicitors and counsel or other attorneys engaged in the defense or settlement of damage suits. The salaries and expenses of claim agents, adjusters and assistants, engaged in the settlement of damage to property claims, will also be charged to this account.

NOTE: *If it be desired that the charge to operating expenses on account of either Injuries or Damages shall be upon some arbitrary basis, the amounts so charged shall be credited to a Reserve account with appropriate caption, and the actual disbursements as defined in the two foregoing accounts shall be charged against the proper reserve.*

34 PUBLIC REGULATION EXPENSES — (Classes C and B)

Charge this account with all fees and retainers and expenses of counsel and solicitor, attorneys, clerks, attendants, expert witnesses, and others whose services are secured in the defense and prosecution of all petitions and other transactions before the Public Utilities Commission. Expenses which are made necessary by rules, regulations, and orders of the commission as, improvement of service, additional inspection, etc., will not be charged to this account, but to the appropriate departmental operating expense accounts.

This account should include expenses incident to the ascertainment in accordance with the order of the Public Utilities Commission dated March 19, 1914, of the value of property owned or used by the accounting utility; such expenses including pay, and office, traveling, and other expenses of officers specially employed or assigned to such work, and their assistants, clerks, and attendants, and the cost of stationery and printing, of engineering supplies consumed, etc.

This account will be divided for Class "A" utilities into the following five accounts:

341 Legal Fees and Expenses.
342 Expert Fees and Expenses.
343 Compensation and Expenses of Employees.
344 Supplies and Expenses.
345 Other Public Regulation Expenses.

35 INSURANCE — (Classes A, B and C)

This account shall include premiums paid for fire, fidelity, boiler, casualty, burglary, workmen's compensation, and other insurance; also amounts set aside for an insurance reserve by a utility carrying its own insurance in whole or in part.

36 FRANCHISE REQUIREMENTS — (Classes A, B and C)

This account includes the value of all energy furnished to municipal corporations in compliance with franchise requirements or municipal lighting contracts, for which no payment is received by the utility. Amounts charged to this account should be credited to Account No. 392 — "Free Services".

37 MISCELLANEOUS RENTS — (Classes A, B and C)

This account should be charged with all miscellaneous rent payable, not provided for elsewhere.

NOTE: *Rents for furnished offices, and for office rooms in office buildings, should not be charged to this account, but to the appropriate expense account.*

38 Uncollectible Accounts — (Classes A, B and C)

Charge to this account each month, making a corresponding credit to Account No. 943 — "Reserve for Uncollectible Accounts", an amount which it is estimated by its uniform application throughout the year, will yield to such reserve an amount sufficient to cover all uncollectible accounts for electrical energy and its products, which become uncollectible and are charged to the reserve because of the removal of the debtor beyond the jurisdiction of the state, the operation of the Statute of Limitations, discharge in bankruptcy, or for any other sufficient reason after diligent effort to collect.

39 Duplicate Electric Charges (Credit)

391 Current Used by Company (Classes A, B and C) (Credit)

Credit to this account all charges made to any electric operating expense accounts in respect to any electric power or other product of electric operations of the utility consumed.

392 Free Services (Classes A, B and C) (Credit)

Credit to this account the value of all free current furnished. For example: All free current to the city as payment for franchise or furnished under municipal lighting contracts should be charged up and closed off at the end of each period to Account No. 36 — Franchise Requirements.

4 — MISCELLANEOUS REVENUES AND EXPENSES

41 Non-Operating Revenues and Expenses — (Classes B and C)

Under this head include all the matters provided for in the following accounts:

411 Profit on Merchandise Sales and Jobbing — (Class A)

Credit to this account the earnings from the sale of electric appliances or electric merchandise such as lamps, fans, flatirons, heating appliances, motors, and other electric appliances for the utilization of electric energy.

Credit also to this account all earnings accruing to the utility on all jobbing work performed by it, such as wiring of consumers' premises for lighting and power purposes, and rearranging such wiring and connecting fixtures. If prospective consumers are charged for service performed by the utility in connecting the wired premises with a service connection or for placing the service wiring, such earnings shall be credited to this account.

To this account shall be charged the cost of all appliances and merchandise, and all expenses for labor and material in connection with their sale and with jobbing operations. The net amount only, or profit, shall be carried to the Income Account in the annual report. The credits and charges to this account will be made in such a manner as to admit of a detailed analysis when called for by the Public Utilities Commission.

412 Rents from Lease of Plant and Equipment — (Class A)

Credit to this account as it accrues, all revenue from the rental of land, buildings, and equipment, and rentals received for the use of conduits, poles, and other line supports and apparatus. Where the contract for the rental of any apparatus or appliances covers also the cost of connecting such apparatus and its main-

tenance, the entire revenue from such contract shall be credited and all expenses incident thereto charged to this account.

413 Miscellaneous Rent Revenues — (Class A)

Credit this account with all miscellaneous rent receivable not provided for in the foregoing accounts.

To this account shall be charged all expenses incurred in connection with the collection of miscellaneous rents, commissions and fees therefor; the cost of procuring tenants for buildings, drawing contracts and leases, advertising for tenants, expenses of ouster proceedings, and taxes, unless the taxes are to be paid by the tenant. Any expenses accruing while land and buildings are idle, also repairs upon such property, will be charged to this account. Only the net income or profit from the above transactions will be carried to the Income Account in the annual report. Credits and charges to this account are to be made in such a manner as to admit of a detailed analysis being made when called for by the Public Utilities Commission.

414 Interest on Deposits — (Class A)

Credit to this account monthly, all interest accruing to the corporation upon balances with banks and trust companies.

415 Interest and Dividends from Investments — (Class A)

Credit to this account all interest as it accrues, upon interest bearing securities which are liabilities of solvent companies, municipalities or individuals, held as investments by the utility. Credit to this account all dividends declared upon the stocks of corporations held as investments by the utility, and all dividends accrued when guaranteed by solvent concerns.

A description of the securities whose yield is credited to this account will be called for in the annual report to the Public Utilities Commission.

416 Miscellaneous Non-Operating Revenues and Expenses — (Class A)

Credit to this account all revenue from non-operating sources not includible in any of the preceding accounts, and charge with any expense incurred therefor. Utilities are at liberty to open sub-accounts.

42 Sub-Utility Revenues and Expenses — (Classes A, B and C)

When an electric utility supplements its usual operations by means of property in other departments, as accounted for in Account No. 59, it shall raise a separate account for each sub-utility, crediting it with all revenue from such sub-utility operations and charging all expenses incurred in connection with securing this revenue. For example: an electric light utility may engage in the following:

421 Hot Water.
422 Steam Heating.
423 Gas.
424 Street Railway.

5 — FIXED ASSETS

50 Plant Investment as of January 1, 1915 — (Classes A, B and C)

Charge to this account all property and plant owned by the utility and devoted to its electric operations, as shown by the utility's records as of December 31, 1914. It is required that all records of what constitutes the property at that date shall be preserved.

When any property or plant included in this account is retired from service, this account shall be credited with the amount at which the property was charged therein, or, if such is not available, with the estimated original cost, the facts upon which the estimate is based and the name of the person by whom estimated shall be shown.

If the plant investment accounts of the utility at the date of the adoption of these accounts are substantially in the form herein prescribed, or if the amount representing the utility's property can be accurately allocated to the plant investment accounts as provided for in this classification upon the completion of the inventory and appraisal made pursuant to the order of the Commission dated March 19, 1914, such allocation may be made, but the charges shall be so designated upon the books of the utility as to show clearly that they relate only to property installed prior to January 1, 1915, and the annual reports to the Public Utilities Commission of a utility making such distribution, will be required in such form as to show the portion of each account represented by investment made prior to January 1, 1915.

51 Intangible Property — (Class C)

Charge to this account the property defined in the following accounts:

511 Organization — (Classes A and B)

Charge to this account all fees paid to governments for the privilege of incorporation and all fees and other expenditures incident to organizing the electric utility business and placing it in readiness to do business. This includes the cost of preparing and distributing prospectuses, cost of soliciting subscriptions for stock, cash fees paid to promoters, and the actual cash value at the time of organization, of securities paid to promoters for their services in organizing the enterprise, attorneys' fees, cost of preparing and issuing certificates of stock, and cost of procuring authority from the Public Utilities Commission, and other similar expenses. Expenses incident to an increase of the capital stock and the negotiation and sale of stock thereunder, and expenses of preparing and filing certificates of amendment to the articles of incorporation, shall also be charged to this account.

This account shall not include any discounts upon bonds issued, nor shall it include any costs incident to negotiating loans or selling bonds or other evidence of indebtedness.

512 Royalties, Franchises and Licenses — (Classes A and B)

Charge to this account the cost of all rights, royalties, franchises and licenses having a life of more than one year from the date when placed in service. Utilities are at liberty to open subaccounts showing the total cost of any property herein defined.

513 Other Intangible Property — (Classes A and B)

Charge to this account the cost of all other intangible property not included in the foregoing accounts. All entries of charges to this account shall describe the property with sufficient particularity to clearly identify it, and shall also show specifically the principal from whom acquired and all agents representing such principal in the transaction.

52 LANDS USED IN ELECTRIC OPERATIONS — (Classes B and C)

Accounts shall be opened as indicated below, to which shall be charged the cost of all land used and useful in the operation of the electric utility whose term of enjoyment is over one year from the grant thereof. The cost of land shall include the purchase price, the cost of registration of title, cost of examination of title, surveyors' and notaries' fees, purchasing agents' commissions, the fees and taxes accrued to date from transfer of title, and all liens upon title acquired; also the cost of obtaining consents, and payments for abutting property damages and the cost of preparing the land for the utility's purposes.

The cost of any buildings, fixtures and improvements made to the land purchased, must not be charged to these accounts. If, at the time of acquisition of any interest in land, it extends to buildings or other improvements thereon, which improvements are devoted by the electric utility to its electric service, and the contract of acquisition does not determine the price of such buildings or improvements, they shall be appraised at their fair cash value for use in such operations, and such appraised value shall be charged to the proper "Structures" account and excluded from the "Land" account. If such improvements are not devoted to electric operations, but are devoted to other operations, the cost (or appraised value if the cost is not determined by the contract) shall be charged to an appropriate sub-account under No. 59 — "Property Used in Other Than Electric Operations".

The following accounts will be raised for Class A:

521 Riparian Land — (Class A)

Charge to this account the cost of all land bordering on streams or lakes purchased for flooding or for the right to use, divert or store water in connection with hydraulic power plants; include also the cost of rights of way for canals, flumes or pipe lines for conveying water to hydraulic power plants for power purposes.

The cost of land necessary for forebays and pondage immediately connected with hydraulic power plant should be charged to the following account:

522 Power Plant Land — (Class A)

Charge this account with the cost of all lands as above defined, occupied by the power plant, together with all lands used and useful in connection with the hydraulic power works, steam plant and power gas plant and all appurtenances thereto, except such items as are specified in the preceding account.

523 Transmission System Land — (Class A)

Charge to this account the cost of all land as above defined, used and useful in connection with the transmission or distribution systems.

524 Sub-Station Land — (Class A)

Charge this account with the cost of all land as above defined, occupied by sub-stations, transformer stations and switching stations.

525 Storage Battery Land — (Class A)

Charge this account with the cost of all land as hereinbefore defined, occupied by the electric storage batteries.

526 General Office Land — (Class A)

Charge this account with the cost of all land as hereinbefore defined occupied by the general office buildings of the electric utility.

527 Other Land — (Class A)

Charge to this account the cost of land as above defined not included in the preceding accounts, which is further sub-divided as follows:

527a Shop and Laboratory Land.
527b Warehouse Land.
527c Stable and Garage Land.
527d Other Miscellaneous Lands.

53 Structures Used in Electric Operations — (Classes B and C)

Accounts shall be opened as indicated below, to which shall be charged the cost of all buildings, structures and improvements on the land used or useful in the generation of electric energy and all steps incidental to such generation, distribution and sale. Such buildings, structures and fixtures include hydraulic structures, producer gas buildings and structures, steam structures, power plant buildings, general office buildings, coal and other fuel sheds, and other storage buildings and structures, barns, stables, garages, and all fixtures attached to such buildings and made a permanent part thereof, such as brick and concrete smoke stacks together with fences, walks, trestles, drives, grading and improvement of grounds.

Machinery foundations and settings, if designed as a part of the permanent construction of the building, and independent of their use in connection with any particular unit of equipment, shall be charged to the appropriate "Structures" account. If, however, such foundations and settings are prepared especially for certain units of equipment and designed to last no longer than such unit, their cost will be charged to the proper "Equipment" account. The following accounts will be raised for Class A.

S531 Boiler Plant Structures — (Class A)

Charge to this account the cost of all buildings and structures devoted to the generation of steam, all permanent foundations and settings for machinery and apparatus, and appurtenant walks, fences, drives and tramways and all fixtures permanently attached to such structures and made a part thereof.

Note: *Where, because of the character of the construction it is impossible to separate the buildings as between this and the following account, these two accounts may be combined into one account "Boiler and Power Plant Structures".*

S532 Steam Power Plant Structures — (Class A)

Charge to this account the cost of all buildings and other structures devoted to the generation of electric energy by steam power. Such structures include steam power plant buildings and structures and all buildings incidental thereto, and permanent machinery and apparatus foundations, appurtenant walks, fences, drives, tramways, trestles and all fixtures permanently attached thereto and made a part thereof. Buildings devoted to the generation of steam and for storage purposes will not be charged to this account.

G531 Gas Producer Plant Structures — (Class A)

Charge to this account the cost of all buildings and other structures devoted to the production of gas for power purposes, including permanent foundations and settings for producer machinery and apparatus, and appurtenant walks, fences, drives, etc., and fixtures permanently attached to such structures and made a part thereof.

G532 Gas Power Plant Structures — (Class A)

Charge to this account the cost of all buildings and structures devoted to the generation of electric energy by gas power, including buildings and structures incidental thereto, the permanent foundations for machinery and apparatus, appurtenant walks, drives, fences, tramways, trestles and all fixtures permanently attached thereto and made a part thereof. The cost of fuel storage buildings and gas producer buildings and structures will not be charged to this account.

W532 Water Power Plant Structures — (Class A)

Charge to this account the cost of all buildings devoted to the generation of electric energy by hydraulic power, including hydraulic buildings and structures, generation station buildings and structures and all buildings and structures incidental thereto, together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives, tramways, trestles and all fixtures attached permanently thereto and made a part thereof.

533 Transmission and Sub-Station Structures — (Class A)

Charge to this account the cost of all buildings and other structures devoted to the sub-station, transformer and switching station uses, including permanent foundations and settings for machinery and apparatus, appurtenant walks, fences, drives, and all fixtures permanently attached to such structures and made a part thereof.

534 Storage Battery Structures — (Class A)

Charge to this account the cost of all buildings and other structures devoted to storage battery purposes, including permanent foundations and settings, appurtenant walks, fences, drives, etc., and all fixtures permanently attached to such structures and made a part thereof.

535 General Office Structures — (Class A)

Charge to this account the cost of all buildings and other structures devoted to general office purposes of the electric utility and not includible in any of the preceding departmental building accounts, also all fixtures permanently attached thereto and made a part thereof, such as heating and plumbing systems, electric wiring, permanent building vaults, together with appurtenant walks, fences, drives, etc.

536 Other Structures — (Class A)

Charge to this account the cost of all buildings and other structures as above defined and not included in any of the foregoing accounts. Appropriate subdivision of this account is as follows:

536a Shops and Laboratories
536b Warehouses
536c Stables and Garages
536d Other Miscellaneous Structures

EQUIPMENT USED IN ELECTRIC OPERATIONS

Accounts shall be opened as indicated below, to which shall be charged the cost of all equipment and apparatus used in the generation of electric energy, and all the steps incidental to such generation, distribution and sale. It is designed that the cost of all apparatus and equipment shall be so charged and classified that the cost of all apparatus used in connection with the generation of electric energy by any particular motive power shall be shown in the account covering such power plant equipment. The following accounts will be raised:

54 POWER PLANT EQUIPMENT — (Classes B and C)

Charge to this account the property defined in the following accounts:

S541 Boiler Plant Equipment — (Class A)

Charge to this account the cost of all equipment devoted to the generation of steam. This includes the cost of furnaces, boilers, their foundations and settings, boiler fittings, iron and steel smokestacks, feed pumps, water feed piping, injectors, economizers, water heaters, superheaters, valves, flues, steam piping from the boilers to the engine, throttle valves, steam exhaust system, boiler water purification equipment, mechanical stokers, cranes, coal and ash conveyors, steam traps, crushers, belt links, wheels, chutes and gates, conveyor cars, winches, motors, brackets, shafts, chains, and similar auxiliary equipment in the boiler plant.

The cost of steam piping whose primary purpose is the heating of the building should not be included in this account.

S542 Prime Movers — (Class A)

Charge to this account the cost of all steam engines devoted to the production of electric energy. This includes the specially provided foundations and installation of such engines. The engines, whether reciprocating or rotary, (such as steam turbines) shall be considered to include the throttle or inlet valve and the governor, also condenser, air and circulating pumps, lubricating systems, etc., but not the steam pipe leading from the boiler nor the exhaust pipe. Where the electric rotor is mounted on the engine shaft, the shaft shall be considered as a part of the steam engine and the electric rotor thereon shall be considered a part of the electric equipment. If, however, the cost of the electric rotor cannot be separately determined, then the cost of the combined equipment should be charged to this account.

S543 Electrical Plant Equipment (Steam) — (Class A)

Charge to this account the cost of all electric generating apparatus operated by steam, including especially provided foundations and installation of such apparatus; also the cost of accessory equipment, including conductors, switchboards, instruments, and apparatus connected therewith.

S544 Miscellaneous Power Plant Equipment (Steam) — (Class A)

This account includes the cost of all miscellaneous equipment at steam power plants not included in any of the foregoing accounts. This includes such mechanical apparatus as belts, pulleys, hangers, countershafts, and other apparatus intermediary between the prime movers and the electric generators, cranes, hoists, machine tools and such other tools at power plants as may properly be capitalized.

G541 Gas Producer Equipment — (Class A)

Charge to this account the cost of all equipment devoted to the production of power gas for the purpose of generating electric energy, including the foundations and settings of such producers and their accessories, embracing gas producers, economizers, regenerators, vaporizers, steam injectors, scrubbers, exhauster outfits, seals, appurtenant boilers and pumps, flues and piping, blower engines, gas piping from producers to gas prime movers and to holders, producer gas holders, exhaust piping, etc.

G542 Gas Engines — (Class A)

Charge to this account the cost of all gas engines devoted to the production of electric energy, including the specially provided foundations and installations of such engines. The engine includes the inlet valve, governor, and ignition and starting apparatus but not the pipe leading from the gas holder, nor the exhaust pipe. Where the electric rotor is mounted on the engine shaft, the shaft shall be considered a part of the engine and the electric rotor thereon shall be considered a part of the equipment. If, however, the cost of the electric rotor cannot be separately determined, then the total cost of the combined equipment should be charged to this account.

G543 Electrical Plant Equipment (Gas) — (Class A)

Charge to this account the cost of all electric generating apparatus operated by gas power, including especially provided foundations and installations of such apparatus; also the cost of the accessory equipment, including conductors, switchboards, instruments and apparatus connected therewith.

G544 Miscellaneous Power Plant Equipment (Gas) — (Class A)

This account includes the cost of all miscellaneous equipment at power plants operated by gas, not included in any of the foregoing accounts. This includes such mechanical apparatus as belts, pulleys, hangers, countershafts, and other apparatus intermediary between the prime movers and the electric generators, cranes, hoists, machine tools and such other tools at power plants as may be properly capitalized.

W541 Dams, Canals, and Pipe Lines — (Class A)

Charge to this account the cost of all dams, canals, aqueducts and pipe lines; also that of all wasteways from the outlet of the draft tube to the point of final discharge. Include also the cost of all viaducts, bridges, and the like, over and accessory to or necessitated by such canals, aqueducts and pipe lines. Land used and useful in connection with the hydraulic plant will not be charged to this account, but to the account "Riparian Lands" and "Power Plant Land", as provided thereunder. The following are proper subdivisions of this account:

(a) Dams
(b) Water Conduits
(c) Forebays
(d) Penstocks

W542 Turbines and Water Wheels — (Class A)

Charge to this account the cost of all turbines and water wheels devoted to the conversion of water power into mechanical power for the production of electric energy. This includes the

specially provided foundations and installation of such engines, also their governors and all other appurtenant apparatus attached thereto from and inclusive of the head gates and governors to (but exclusive of) the wasteways. Where the electric rotor is mounted on (not merely coupled to) the shaft of the hydraulic engine, the shaft shall be considered a part of the hydraulic engine and the electric rotor thereon shall be considered a part of the electric equipment. If, however, the cost of the electric rotor cannot be separately determined, then the cost of the combined equipment should be charged to this account.

W543 Electrical Plant Equipment (Water) — (Class A)

Charge to this account the cost of all electric generating apparatus operated by water power, including the specially provided foundations and installation of such apparatus; also the cost of the accessory equipment, including conductors, switchboards, instruments, and apparatus connected therewith.

W544 Miscellaneous Power Plant Equipment (Water) — (Class A)

This account includes the cost of all miscellaneous equipment at power plants driven by water power, not included in any of the foregoing accounts. This includes such mechanical apparatus as belts, pulleys, hangers, countershafts, and other apparatus intermediary between the prime movers and the electric generators, such as cranes, hoists, machine tools and such other tools at power plant as may properly be capitalized.

55 Transmission, Storage and Distribution Equipment — (Class C)

Charge to this account the property defined in the following accounts:

551 Underground Conduits — (Classes A and B)

Charge to this account the cost of conduits required for underground wires and cables, including manholes, ducts and pipes, sewer connections, sewer traps and all material necessary for the completion of the underground conduit system devoted to the protection of the transmission and distribution systems.

552 Poles and Fixtures — (Classes A and B)

Charge to this account the cost of towers, structures, poles, cross arms and insulator pins, braces, brackets and all other pole fixtures, guys and other supports for holding the towers, structures, and poles in position, and all labor expended in connection with the construction of pole lines or structures for carrying the transmission and distribution systems.

Note: *Where the plan of overhead line construction followed by utilities is such that it is impracticable to separate the cost of erection of poles and fixtures from erection of other overhead line materials, Utilities will at their option be permitted to consolidate this account with accounts 553-A. "Transmission System Overhead Conductors" or Account 556-A "Distribution System Overhead Conductors".*

553 Transmission System Equipment — (Class B)

Charge to this account the property defined in the following accounts:

553a Transmission System Overhead Conductors — (Class A)

Charge this account with the cost of the overhead transmission system, including cables, wires, insulators, and insulating

material, main conductors and feeders, etc., constituting the overhead transmission system between the point of electric generation or purchase to the point where it is lowered in voltage or changed as to kind or frequency for the purpose of commercial distribution. (See Note under Acct. No. 552.)

553b Transmission System Underground Conductors — (Class A)

Charge to this account the cost of underground transmission system equipment, including all cables and wires outside the stations and substations, constituting the underground transmission system between the point of generation or purchase and the point where it is lowered in voltage or changed as to kind or frequency for the purpose of commercial distribution.

554 Sub-Station Equipment — (Classes A and B)

Charge to this account the cost of all equipment of substations. Such equipment includes not only electric machinery and apparatus, but all furniture and equipment, such as furnaces, boilers, stoves, elevators, etc., permanently assigned to such stations, but not affixed to the structure thereof. It does not include storage batteries, laboratory instruments and apparatus not permanently assigned thereto, nor does it include tools only temporarily assigned to such stations.

555 Storage Battery Equipment — (Classes A and B)

Charge to this account the cost of the battery elements and all accessory apparatus connected therewith, including tanks, battery room flooring, specially constructed rigging apparatus, boosters, compensators and the like. Where separate buildings and structures have been provided for storage batteries, there will be charged to this account not only the cost of the electrical equipment, but also such other equipment as is a necessary and incidental part of the operation of such battery and includible in fixed property accounts.

556 Distribution System Equipment — (Class B)

Charge to this account the property defined in the following accounts:

556a Distribution System Overhead Conductors — (Class A)

Charge to this account the cost of overhead distribution system equipment, including all cables, wires, insulators, and insulating material, constituting the overhead distribution system mains and feeders in place on the pole line between the central station, sub-station or transformer station and the electric service. (See Note under Acct. No. 552)

556b Distribution System Underground Conductors — (Class A)

Charge to this account the cost of underground distribution system equipment including all cables and their accessories, junction boxes and other equipment constituting the underground distribution system between the central station, sub-station or transformer station switchboard and the electric service.

557 Electric Services — (Class B)

Charge to this account the cost of all conductors, ducts, main cut-out switches and the like, connecting the distribution mains with the electric apparatus and appliances in possession of the consumers.

For Class A utilities, this account is sub-divided into the following accounts:

557a Overhead Electric Services

557b Underground Electric Services

558 Transformers — (Classes A and B)

Charge this account with the cost when purchased of all overhead and underground Distribution System transformers and devices, including those placed on the premises of the consumer and upon the poles or other supports adjacent thereto. The cost of the original test preceding the first installation (if it be the practice of the utility to make such a test), and the cost of the original setting of each transformer shall also be charged to this account.

Transformers and transformer devices operated in connection with the Transmission System will not be charged here, but to the account No. 554, Sub-Station Equipment.

559 Meters — (Class B)

Charge to this account the cost, when purchased, of all meters and indicators for determining the amount of electric energy delivered to consumers. The cost of the original test preceeding the first installation, (if it be the practice of the utility to make such test), and the cost of the original setting of each meter shall also be charged to this account.

Subsequent removing and resetting of meters shall be charged to "Expenses".

For Class A utilities, this account is sub-divided into the following accounts:

559a Meters

559b Installations

56 Other Equipment — (Class C)

This account includes all the property provided for under the following heads:

561 Utilization Equipment — (Class B)

Charge to this account the property defined in the following accounts:

561a Commercial Lighting Equipment — (Class A)

Charge to this account the cost of all arc lamps, incandescent lamps, and all lamp fixtures and equipment devoted to commercial lighting, including labor and expense incurred in their installation.

561b Consumers' Installations — (Class A)

Charge to this account the cost of all material and cost of first installation of equipment on consumers' premises for purposes of supplying energy of certain voltage, kind or character. Such installation will include motor sets for theatre lighting, amusement parks, also motors, fans, electric signs, etc.

561c Municipal Lighting Equipment — (Class A)

Charge to this account the cost of all lighting equipment operated and maintained under the contract for public lighting entered into with the municipality, embracing public arc lamps, and incandescent lamps provided for in the contract, and all circuits and poles, cross arms, pins, braces, insulators, arc sup-

ports and accessory equipment required under the terms of such contract, and including any equipment in stations used exclusively in connection with municipal lighting.

562 General Office Equipment — (Classes A and B)

Charge to this account the cost of all equipment of the general office of the electric utility, embracing such items as office furniture and fixtures, movable safes, filing cases and devices, typewriters, adding machines, addressographs and central office equipment having an expectancy of life in service exceeding one year.

563 Other Equipment — (Class B)

Charge to this account the property defined in the following accounts:

563a Stores Department Equipment — (Class A)

Charge to this account the cost of all equipment in storerooms, such as counters, shelving, carts, barrels, trucks and other apparatus and appliances used in the handling of materials and supplies. Include also loading and unloading machinery, derricks, cranes, hoists, conveying apparatus and equipment, etc.

563b Shop and Laboratory Equipment — (Class A)

Charge to this account the cost of equipment specially provided for shops and laboratories, including machine tools, cranes, hoists, shafting, belts, smithing equipment and all testing apparatus and laboratory equipment not elsewhere provided for.

563c Stable and Garage Equipment — (Class A)

Charge to this account the cost of all equipment of general stables, including horses, harnesses, drays, wagons, automobiles, motor cycles, and other vehicles.

563d Other Miscellaneous Equipment — (Class A)

Charge to this account all equipment not includible in any of the preceding property accounts, such as street department work tools and instruments and other miscellaneous equipment.

Small hand tools, because of their liability of loss and their rapid consumption, should not be charged to this account, but to the appropriate expense or construction accounts where they have been used.

57 Miscellaneous Construction and Equipment Expenditures — (Class C)

This account includes all the expenditures provided for under the following heads, all of which expenditures shall have been made during construction and before the operation of the electric utility. The character of these charges is indicated by the titles of the several accounts.

571 Engineering and Superintendence During Construction — (Classes A and B)

Charge to this account all expenditures for services of engineers, draftsmen and superintendents employed on preliminary and constructive work, and all expenses incident to the work, when such disbursements cannot be assigned to specific construction.

572 Law Expenditures During Construction — (Classes A and B)

Charge to this account all law expenditures incurred during the period of construction of the electric plant. Charge with the salaries and expenses of counsel, solicitors and general attorneys,

their clerks and attendants, etc. Charge also with the cost of law books, printing briefs, legal forms, testimony, reports, fees and retainers of the general counsel and attorneys' court costs and payments of specific notarial and witness fees, expense of taking depositions, and general law and court expenses during construction, expenses of arbitrators of disputed points, etc.

573 Injuries and Damages During Construction — (Classes A and B)

Charge to this account all damages to or destruction of property other than that owned by the utility, caused directly in connection with the construction of the electric plant, and all expenses incident to injuries or death of employees and other persons, for which injuries or death the utility is held liable or in the settlement of which claims allowances are made. This includes such items of expense as judgments for damages and plaintiffs' court costs, proportion of salaries and expenses or fees of physicians and surgeons, expenses of undertakers, nurses and hospital expenses, medical and surgical supplies, contributions to hospitals during the period of construction of the plant, transportation of injured persons and wages and salaries paid to employees while disabled. The salaries and expenses of the utility's claim agents and adjusters and their assistants, while engaged upon settling such claims arising during construction, will be charged to this account. The compensation of the general solicitors or counsel of the utility while engaged in the defense and settlement of damage suits will also be charged to this account.

574 Taxes During Construction — (Classes A and B)

Charge to this account all taxes and assessments levied and paid on property belonging to the electric utility while under construction and before the plant has begun operation. Special assessments for street and other improvements, such as grading, curbing, paving, sidewalks, sewer, etc., shall not be charged to this account, but to the account to which the property benefited has been charged.

575 Interest During Construction — (Classes A and B)

Charge to this account the interest accrued upon all money and claims payable upon demand acquired for use in connection with the construction and equipment of the electric property from the time of such acquisition until the works are ready for commercial use.

Interest receivable accrued upon such moneys and claims shall be credited to this account.

To this account may also be charged the accrued amortization of discount on debt which is applicable to the construction period.

576 Miscellaneous Expenditures During Construction — (Class B)

Charge to this account all expenditures incurred during construction and included in the following accounts for Class A.

576a Salaries — (Class A)

Charge this account with the salaries of all general officers and general office assistants during the period of construction of the electric utility plant and up to the time of the generation and sale of electric energy.

576b Office Supplies and Expenses — (Class A)

Charge this account with the cost of all office supplies and expenses incurred during the process of construction of the

plant up to the time of generation and sale of electric energy, such as messenger and janitor service, rent of premises occupied during construction, water, light, heat, telegrams, exchange on remittance, etc.

576c Stationery and Printing — (Class A)

Charge this account with the cost of all stationery, printing, postage, blanks, record books, etc., used during the construction of the plant and up to the time of generation and sale of electric energy.

576d Insurance — (Class A)

Charge to this account all premiums paid to insurance companies for fire, casualty, boiler, fidelity and other insurance covering risks during construction of the electric power plant and its equipment.

576e Other Expenditures — (Class A)

Charge to this account all expenditures incurred during construction not includible in any of the preceding accounts under this heading.

58 Unfinished Plant Investment — (Construction in Progress) — (Classes A, B and C)

Charge to this account only the amounts expended for plant and equipment in process of construction under estimate or work orders, but not yet ready for service, including such proportion of plant supervision expenses, engineering expenses, tool expenses, supply expenses, and general expenses as are properly chargeable to such construction work. As soon as such work is completed, the cost of same must be credited to this account and charged to the appropriate Plant Investment Account.

A complete analysis of the details of this account shall be available.

59 Property Used in Other Than Electric Operations — (All Classes)

Charge to this account the cost of all property of the corporation, both tangible and intangible, devoted to its operations other than electric, not including "Investments" as defined in that account. Appropriate sub-accounts shall be opened under this number for such operations as steam or hot water heating, gas, street railroad operation, etc., etc.

6 — INVESTMENTS AND FUNDS

61 Investments — (All Classes)

By investments as here used is meant the cost of all properties acquired or held, not for use in present operations, but as a means of obtaining and exercising control over other corporations, or for income to be derived from them, or for a rise in value, or for devotion to future operations, and for securing other business advantages that may seem possible through their acquisition and possession. This will include the cost of all stocks and bonds and other evidences of indebtedness issued by other companies and all advances to proprietary, affiliated, controlled and controlling corporations for Plant Investment purposes when such advances are of a permanent nature (that is, where there is not an understanding that

the advances are to be repaid within a year), or when it is intended that reimbursement shall be made by the issue of securities of such corporation, and also all other investments of a permanent nature in property and not held for the operation of the Company's plant as an electric utility.

Temporary advances, like the above, on open account for purposes other than construction shall be included in "Accounts Receivable" and stocks and bonds or other property in which the moneys of reserves have been invested will not be shown in this account, but as investments of the respective funds.

In the annual report to the Public Utilities Commission, these investments will be required to be classified as to their character and with sufficient detail as to permit of their clear identification, showing the par value of all such stocks or bonds or other investments with the rate of return thereon, the amount of income received therefrom and the book value.

All other investments of a permanent nature in property not held for the operation of the Company's plant as an electric utility shall be charged to Account No. 59 — "Property Used in Other than Electric Operations", maintaining separate accounts for each sub-utility.

62 REACQUIRED SECURITIES — (All Classes)

The capital stock and funded debt accounts in the balance sheet are intended to include only the par value of such capital stock or bonds as have been actually issued to bona fide holders for value and are outstanding at the date of the balance sheet; also par value of such securities as have been issued by other companies and have been assumed by the accounting company, and are outstanding.

When capital stock or funded debt securities have been actually issued by the Company to bona fide holders for value or (after such issue by another company) have been assumed by the accounting company and after such issue or assumption have been reacquired by the company under circumstances which require that they shall not be treated as paid or retired, they may be charged at par value to the appropriate asset account, but on the balance sheet they should be shown net, in order that the assets shall include only securities of other companies and that the capital stock and funded debt accounts for securities issued or assumed shall include only those in the hands of the public. If any such securities are reacquired for more or less than their par value, the difference between the par value and the cost of reacquirement, after adjusting any amounts carried in the discount and premium accounts or other accounts with respect to such securities, should be debited or credited to Account No. 95 — "Surplus Account", unless reacquired for a sinking or other fund which is required to be represented by a reserve, in which case the difference should be debited or credited to the appropriate reserve account.

63 DEFERRED UPKEEP FUND — (All Classes)

For definition and detailed instructions see Page 99.

64 CONTRACTUAL SINKING FUNDS — (All Classes)

Charge to this account the value of all live securities and of all cash in the hands of trustees or invested by the utility, or set aside

for investment, whenever required in the pursuance of the provision of mortgage deeds, deeds of trust, or other contracts.

Charge also to this account all income derived from such investments, making a corresponding credit to the appropriate complementary account No. 944 — "Sinking Fund Reserves".

A separate sinking fund shall be maintained for each contractual requirement.

65 OTHER SPECIAL FUNDS — (All Classes)

Charge to this account, or sub-accounts thereunder, any accumulation of property in the form of cash or investments held apart from the other assets of the business, to be devoted to a specific object other than as provided for in the preceding accounts. This includes "Special Deposits" for the payment of bond coupons, dividends and other similar liabilities.

7 — CURRENT AND NOMINAL ASSETS

71 CASH — (All Classes)

Charge to this account all moneys coming into the possession of the electric utility, and in which it has the beneficial interest. Also charge it with all bank credits, checks and drafts receivable subject to satisfaction or transfer upon demand (whether payable to bearer or to order). All cash disbursements should be credited to this account.

To appropriate sub-accounts shall also be charged amounts advanced to agents, officers, or employees, as working funds from which certain expenditures are to be made and accounted for later.

All cash advances not to be repaid within one year, or to be later converted into capital stock or bonds, shall be charged to Account No. 61 — Investments.

721 ACCOUNTS RECEIVABLE — (All Classes)

Charge to this account all amounts owing to the electric utility upon accounts with solvent concerns other than banks, also all accounts and claims upon which responsibility is acknowledged by solvent concerns or individuals, or which are sufficiently secured to be considered good, and of all judgments against solvent concerns where the judgments are not appealable or suspended through appeal. Negotiable instruments will not be charged to this account.

722 NOTES RECEIVABLE — (All Classes)

Charge this account with the value of all collectible negotiable obligations in the form of notes receivable or other similar evidences of money receivable on demand, or within a time not exceeding one year. This does not include interest coupons. Time loans that mature more than one year after date of issue shall be considered as investments and shall not be included in this account.

It is recommended that if it be the practice of the utility to discount its notes receivable, that it credit Notes Receivable Discounted and carry them in that account until maturity, when the latter account can be closed into Notes Receivable, and thus clear the transaction.

723 Interest, Dividends and Rents Receivable — (Classes A and B)

When the electric utility becomes entitled to demand any interest, dividend or rent from solvent concerns, the amount to which it thus becomes entitled shall be charged to this account and credited to the appropriate earning account under "Miscellaneous Revenue" — Accounts Nos. 412 to 415.

This account or some sub-account thereunder, also includes accrued interest on accounts with solvent concerns, and upon judgments against solvent debtors where such judgment has not been suspended, as well as interest accrued upon commercial paper of solvent concerns held by or for the benefit of the utility, and all rents accrued from solvent concerns.

It also includes all dividends accrued but not yet declared, the right to which is in the utility, when such dividends are guaranteed by solvent concerns.

73 Materials and Supplies — (All Classes)

Charge to this account the cost, including transportation and other incidental expenditures of all materials and supplies purchased, regardless of whether the same are intended to be consumed in construction or in operation, or later to be sold.

When any materials or supplies, the cost of which is charged to this account, are issued for use, the cost of the same shall be credited to this account and debited to the proper construction or expense account. Inventories of materials and supplies shall be taken periodically, and any shortage or overages disclosed by such inventory shall be credited or debited to this account, and debited or credited to the Account No. 164 — Inventory Adjustments, in case they cannot be assigned to specific accounts.

When the use of any tangible fixed asset is discontinued it shall be treated as retired; the original cost of such asset shall be credited to the fixed asset account in which it is carried, and its value, if any, as second-hand material or junk, shall be charged to the sub-account "Scrap" and credited to the appropriate "Deferred Upkeep Reserve." If such value is not known and cannot readily be determined, it shall be estimated, and the errors in such estimates, when determined, shall be adjusted through the accounts involved. (See detailed instructions on page 99.)

This account shall be subdivided by each utility into such classifications as is found to be advantageous for analytical purposes.

74 Other Current Assets — (All Classes)

Charge to this account the value of all current assets of the utility, not included under any of the preceding current asset accounts, including advances to affiliated companies; property readily convertible into money, and which is being held with the intent of being so converted into money, will be considered as a current asset and charged to this account when it cannot be charged to one of the preceding accounts.

75 Deferred Charges — (Classes C and D)

Charge to this account the prepaid expenses and deferred charges defined in the following accounts:

751 Prepaid Insurance — (Classes A and B)

Charge to this account all premiums on insurance policies when paid in advance to their accrual, regardless of whether the

amounts so prepaid are paid in cash or by an issue of notes, or other negotiable paper. As premiums thus prepaid accrue, credit to this account at regular intervals the amount applicable to the period, and charge same to the appropriate Insurance Account.

752 Prepaid Interest — (Classes A and B)

Charge to this account all interest when paid in advance of its accrual on any obligation of the utility. As the interest thus prepaid accrues, credit to this account at regular intervals the amount applicable to the period, and charge the same to the appropriate Interest Account.

753 Prepaid Rents — (Classes A and B)

Charge to this account all rents paid in advance of their accrual. As the rent thus prepaid accrues, credit to this account at regular intervals the amount applicable to the period, and charge same to the appropriate expense account.

754 Miscellaneous Prepaid Accounts — (Classes A and B)

Charge to this account all prepaid items of the utility not included in the preceding prepaid accounts. As the amounts thus prepaid accrue, credit to this account at regular intervals the amount applicable to the period, and charge same to the appropriate expense account.

755 Unamortized Debt Discount and Expense — (Classes A and B)

When bonds and other evidences of indebtedness are disposed of for a consideration, the cash value of which is less than the sum of the par value of the evidences of indebtedness plus the interest thereon accrued at the time the transfer takes place, the excess of such sum of the par value and accrued interest over the cash value of the consideration received shall be charged to this account.

To this account shall also be charged all expense connected with the issue and sale of evidence of debt, such as fees for drafting mortages and trust deeds, fees and taxes for recording mortgages and trust deeds, cost of engraving and printing bonds, certificates of indebtedness and other commercial paper having a life of more than one year, fees paid trustees provided for in mortgages and trust deeds, fees and commissions paid underwriters and brokers for marketing such evidences of debt, and other like expenses.

At, or before, the close of each fiscal period thereafter, a proportion of such discount and expense, based upon the life of the security to maturity, shall be credited to this account and charged to Account No. 969(a) — Amortization of Discount on Debt.

Such discount and expense may, if desired, be extinguished more rapidly through charges of all or any part of it, either at the time of issue or later, to sub-account No. 953 — Miscellaneous Appropriations of Surplus Account.

756 Other Deferred Charges and Suspense Accounts — (Classes A and B)

Charge to this account all items not elsewhere provided for, and the proper final disposition of which is uncertain.

When the proper disposition of any matter charged to this account is determined, it shall be credited to this account and charged to the appropriate account or accounts,

76 CURRENT TRANSACTIONS OF MUNICIPAL PLANTS WITH CITY — (Classes A, B and C)

This account is designed for the sole use of utilities owned and operated by municipalities. For a full explanation of the use to be made of this account see Page 103.

8 — LIABILITIES

81 FUNDED DEBT — (All Classes)

Credit to this account the par value of all indebtedness which, by the terms of its creation, does not mature until more than one year after date.

These funded obligations of the utility shall be divided into classes according to the following characteristics: i. e., as to the underlying security, the rate of interest, interest dates and date of maturity. A separate sub-account shall be opened for each such class of funded indebtedness and no debt not agreeing in the characteristics mentioned shall be included in the same sub-account. The titles of each sub-account shall express the characteristics above stated. To the proper sub-accounts shall be credited, when issued, the par value of the amount of the evidences of funded indebtedness issued. The entry shall show not only the amount issued, but the purpose for which issued and shall make clear and intelligent reference to the corporate records showing full details connected with such transactions. If the consideration received for the issue is anything other than money, the entries shall show further to whom issued and shall describe with particularity to identify it, the actual consideration received. If the issue is to the agent of an undisclosed principal, the name and business address of such agent and the fact of his agency shall be shown in the entry.

82 MUNICIPAL ELECTRIC UTILITY BONDS — (Classes A, B and C)

This account is to be kept only by such utilities as are owned and operated by municipalities.

For definitions and detailed instructions see Page 103.

83 CURRENT DEBTS

831 Accounts Payable — (All Classes)

Credit this account, when incurred, with the value of all liabilities of the utility upon open account not includible in any of the other current liability accounts.

This shall include at the close of the fiscal year all unpaid bills for apparatus, materials and supplies received and used during year but not previously credited, and also for all salaries and wages due and unpaid.

832 Notes Payable — (All Classes)

When any note, draft or other bill payable, which matures not later than one year after date of issuance or of demand or assumption by the utility of primary liability thereon, is issued or assumed, the value thereof shall be credited to this account and when it is paid it shall be charged to this account and credited to "Cash" or other appropriate account.

83c Other Current Liabilities — (Classes C and D)

Credit to this account for Classes C and D, other current liabilities as defined in the following accounts:

833 Matured Interest on Funded Debt Unpaid — (Classes A and B)

When interest owing by the electric utility upon any of its funded indebtedness matures and is unpaid, it shall be credited to this account and charged to the account "Unmatured Interest on Funded Debt Accrued", to which it had been credited.

834 Other Matured Interest Unpaid — (Classes A and B)

When interest owing by the utility upon any of its unfunded debt matures and is unpaid, whether the cause of failure is on the part of the holder of the paper to present it for payment, or for other reasons, it shall be credited to this account and charged to the account "Other Unmatured Interest Accrued", to which it had been credited.

835 Dividends Payable — (Classes A and B)

When dividends are declared by the corporation, they shall be credited to this account and charged to the account "Dividends Declared", which latter shall be closed into "Surplus" at the close of the fiscal year.

836 Consumers' Deposits — (Classes A and B)

Credit to this account, as such deposits are made, all cash deposited with the utility by consumers as security for the payment of electric bills. Deposits refunded shall be charged to this account and credited to "Cash". Deposits applicable to uncollectible electric bills shall, at the close of the fiscal year or earlier, at the option of the accounting utility, be credited to the account of the consumer involved and debited to this account.

837 Other Deposits Payable — (Classes A and B)

Credit to this account deposits made by employees and others. When such deposits are refunded they shall be charged to this account and credited to "Cash".

838 Other Current Liabilities — (Classes A and B)

Credit to this account the value of all unfunded obligations upon which the utility is liable and which are not elsewhere provided for, including advances from affiliated companies. The utility will, of course, raise separate accounts for the several liabilities.

84 Accrued Liabilities — (Classes C and D)

Credit to this account the value of the liabilities accrued to date of balance sheet as defined in the following accounts:

841 Taxes Accrued — (Classes A and B)

To this account shall be credited at the close of each month all taxes accrued during the month and corresponding charges shall be made to Account No. 966 — "Taxes". Credits to "Taxes Accrued" will be based upon estimates until the amount of the taxes levied for the period is definitely ascertained. Such estimates shall be made upon the best data available, and as soon as the amount of taxes for the period is known, the account involved shall be adjusted to conform. When any taxes become due they shall be charged to this account and credited to "Cash" or other appropriate account.

842 Unmatured Interest on Funded Debt Accrued — (Classes A and B)

To this account shall be credited at the close of each period all unmatured interest accrued during the period upon the funded indebtedness of the utility. When such interest matures, it shall

be charged to this account and credited to the account "Matured Interest on Funded Debt Unpaid". When paid, the interest shall be charged to the account "Matured Interest on Funded Debt Unpaid" and credited to "Cash" or other appropriate account.

843 Other Unmatured Interest Accrued — (Classes A and B)

To this account shall be credited at the close of each month all unmatured interest accrued during the month upon all unfunded debt of the utility. When such interest matures it shall be charged to this account and credited to the account "Other Matured Interest Unpaid". When the interest is paid, it shall be charged to the account "Other Matured Interest Unpaid" and credited to "Cash" or other appropriate account.

844 Other Accrued Items — (Classes A and B)

To this account shall be credited at the end of each period as it accrues, any other obligation of the utility not provided for in any of the preceding accrued liability accounts.

85 Borrowings from Deferred Upkeep Fund — (Classes A, B and C)

See Chapter on Provisions for Deferred Maintenance on Page 99.

9 — PROPRIETARY INTERESTS, RESERVES AND PROFIT & LOSS ACCOUNT

91 Capital Stock — (All Classes)

In the accounts for stocks outstanding a separate account shall be opened for each class of stock issued and no two stocks shall be considered of the same class unless they are equal in their dividend rights, voting rights and conditions under which they may be retired (if the right to retire them is contained in the contract of issue). The three characteristics of each class of stock in these regards shall be designated in the title of the account opened to cover such stock and shall be clearly expressed in the first entries to such account.

To the account for each class of stock shall be credited, when issued, the par value of the amount of such stock issued. If such stock issue is for money, that fact shall be stated, and if for any other consideration than money, the persons to whom issued shall be designated and the consideration for which issued shall be described with sufficient particularity to admit of identification; if such issue is to the treasurer or other fiscal agent of the corporation, or if by him disposed of for the benefit of the corporation, that fact and the name of such agent shall be shown and such agent in his account of the disposition thereof shall show like details concerning the consideration realized thereon, which account, when accepted by the corporation, shall be preserved as a corporate record.

In accordance with the foregoing definition, each utility will raise upon its books, sub-accounts for each class of capital stock issued and outstanding, e. g.:

911 Capital Stock — Common

912 Capital Stock — First Preferred

913 Capital Stock — Second Preferred, etc.

When a premium is realized upon an issue of any class of stock, such premium should be credited to account No. 941 — "Premium on Capital Stock" and the credit shall remain in that account so long as the stock remains outstanding. By "premium realized" is meant the excess of the actual money value of the consideration at the time of issue of the stock, over the par value of the stock.

92 Non-Corporate Proprietorship

921 Sole Proprietorship — (All Classes)

This account is designed to carry the value of the net worth of a utility owned by a single proprietor, and shall appear in the ledger under a caption bearing the name of the proprietor. The account shall be debited with all withdrawals and credited with all contributions, and shall be debited with losses and credited with profits transferred from the current Profit and Loss Account after closing.

922 Partnership — (All Classes)

This account is designed to carry the value of the net worth of a utility owned by a partnership. Each partner shall have an investment account in the ledger, under a caption bearing his name, which account shall be debited and credited in the same manner as under the preceding definition.

923 City Investment — (Classes A, B and C)

This account is to be kept only by such utilities as are owned and operated by municipalities. For definition see the special instructions on page 103.

93 Reserve for Deferred Upkeep — (All Classes)

This account is sub-divided for Class A utilities as follows: —

931 Reserve for Extraordinary Repairs

932 Reserve for Renewals and Replacements

933 Reserve for Contingencies

For definitions and detailed instructions see page 99.

94 Other Reserves — (Class C)

Credit to this account all the matters provided for under the following heads:

941 Premium on Capital Stock — (Classes A and B)

When any stock is sold at a premium, by which is meant the excess of the actual money value of the consideration received for stock issued over the par value of such stock (except stock that has been sold and re-acquired) such excess amount shall be credited to this reserve and carried there permanently, or until the stock is retired, when this account shall be charged and "Surplus" credited.

In no event until the retirement of the stock, should this account be merged with Surplus or become available for dividends.

942 Unamortized Premium on Debt — (Classes A and B)

When funded debt securities or other evidences of indebtedness are disposed of for a consideration whose cash value is greater than the sum of the par value of such securities or other evidences

of indebtedness plus the interest thereon accrued at the time the transfer takes place, the excess of the cash value of such consideration received over the sum of the par value of the securities or other evidences of indebtedness and the accrued interest, should be credited to this account. At monthly, or other regular intervals, thereafter, a proportion of such premium based upon the life of the security or other evidence of indebtedness to maturity, should be charged to this account and credited to account No. 967 — "Release of Premium on Debt" in the Income Account.

NOTE: *In reporting, the total of the "Release of Premium on Debt" for the year shall be deducted from the "Interest on Funded Debt" in a separate indented item.*

943 Reserve for Uncollectible Accounts — (Classes A and B)

Credit this account periodically with the charge made to the account No. 38 — "Uncollectible Accounts", as explained in connection therewith. When any account for electric service, upon which any debtor is liable to the utility, becomes impossible of collection because of the removal of the debtor beyond the jurisdiction of the State, the operation of the Statute of Limitations, discharge in bankruptcy, or for any other good and sufficient reason after diligent effort to collect the same has been made, such account may be charged to this account and credited to "Accounts Receivable", to which it was originally charged.

All accounts which have been charged off as uncollectible, but which are afterwards collected, shall be credited to this reserve.

An analysis of the charges and credits to this reserve will be called for by the Public Utilities Commission.

944 Sinking Fund Reserves — (Classes A and B)

In all cases where the contractual stipulations in mortgage deeds, deeds of trust, or other contracts require the creation of a sinking fund, this contra account specially ear-marking the disposition of the surplus so invested in sinking fund, shall be maintained.

Credit to this account and charge to account No. 952 — "Contractual Sinking Fund Requirements", all such transfers from Surplus. Credit to this account and charge to the Fund all accretions resulting from any securities belonging to the fund, complementary to each reserve. The title of each fund shall clearly indicate the purpose for which it is being maintained and a separate sinking fund reserve account shall be maintained for each contractual requirement.

945 Amortization Reserve — (Classes A and B)

This account shall be raised to provide for the amortization of intangible assets, such as limited franchises and patents in service, whose value is gradually being extinguished by the lapse of time. To it shall be credited monthly, or as they are made, all the amounts charged from time to time to account No. 969(b) — "Amortization Reserve Requirements", which account is to be set up where the nature of the asset occasions the setting up of this reserve.

For example, a corporation pays five thousand dollars ($5,000.00) for certain rights for a period of ten years. In order that this amount shall be set aside out of revenue and the actual capital of the corporation not impaired, there shall be charged regularly

to the account "Amortization Reserve Requirement", crediting the "Amortization Reserve", an amount which, at the end of the franchise term, will have created an amount equivalent to the cost of the right.

When the value of the intangible asset has been reduced to nil, the asset account shall be credited and the reserve charged, thus accomplishing the purpose for which it was raised.

An analysis of the charges and credits to this reserve will be called for in the annual report to the Public Utilities Commission.

946 Other Reserves — (Classes A and B)

To this account shall be credited all the credits held in reserve for operating or other purposes other than those provided for in the preceding accounts. The first entry of a credit to this or any sub-account under this caption, with respect to any particular reserve shall show the purpose of the reserve, and every subsequent entry with respect to that reserve shall designate the reserve to which it relates.

95 Surplus — Deficit — (All Classes)

This account or summary is the connecting link between the "Income and Profit & Loss" account — No. 96, and the Balance Sheet. It summarizes the changes in the corporate surplus or deficit during a given fiscal period resulting from the business transactions during that period, as well as those effected by any disposition of net profits made solely at the option of the corporation, by accounting adjustments not properly attributable to the period, or by miscellaneous losses or gains not provided for elsewhere.

To this account should be carried the net balance of the accounts forming the "Income and Profit & Loss" account — No. 96, for the current period, and in it should be summarized all optional appropriations (including dividends declared), miscellaneous adjustments due to errors in the accounting of prior fiscal periods, profits from the sale of securities or other property, losses upon property sold or otherwise retired and not covered by reserves, and any unusual losses and gains of like nature.

For these matters the following accounts are provided:

951 Dividends Declared — (All Classes)

Charge this account with the amount of dividends declared on the outstanding capital stock of the utility, crediting No. 835 — "Dividends Payable". If a dividend is payable in anything other than money, such thing shall be fully described in the entry. No dividend shall be declared on capital stock issued by the Company and held by it or for it. If dividends are declared on both common and preferred stock, this account shall be sub-divided to show this information.

Note: *For municipally owned and operated utilities an account designated "Interest on City Investment" will be substituted for Account No. 951 "Dividends Declared".*

See Special Instructions on Page 103.

952 Contractual Sinking Fund Requirements — (All Classes)

Charge to this account and credit account No. 944 — "Sinking Fund Reserves" the amount transferred from Surplus for sinking fund reserve purposes, under terms of mortgages, deeds of trust, or other contracts that provide for such allotment or transfer.

953 Miscellaneous Appropriations — (Classes A, B and C)

Charge this account with all optional appropriations from Surplus. This includes gratuities, gifts and optional appropriations to reserves.

954 Adjustments Prior Period — (Dr or Cr) — (Classes A, B and C)

Credit to this account all additions to surplus due to erroneous accounting in previous fiscal periods, bad debts collected after being written off (other than those provided for in Acct. No. 943) profits arising from the sale of securities and other property, and charge with all miscellaneous decreases due to erroneous accounting in previous periods, the inclusion of which would distort the statistics for the current period, and also all miscellaneous losses and expenses not provided for under the expense accounts.

96 Income and Profit & Loss — (All Classes)

This account brings together those accounts that show the total earnings the corporation received or became entitled to receive for services rendered during the fiscal period, the returns accruing during the period upon investments, and the expenses and obligations incurred that affect the disposition of the amounts so earned or accrued.

The following accounts make up the Income and Profit & Loss Account and should be closed into this account at the close of the fiscal year:

961 Operating Revenues — (Classes A, B and C)

Credit this account with the total operating revenues of the utility for the period covered, and charge accounts Nos. 011 to 099 inclusive to close.

962 Operating Expenses — (Classes A, B and C)

Charge this account with the total operating expenses of the utility for the period covered, and credit accounts Nos. 111 to 399 inclusive to close.

963 Miscellaneous Revenue and Expense — (Classes A, B and C)

Credit this account with all the miscellaneous revenue and charge with all the miscellaneous expenses for the period and debit or credit accounts Nos. 411 to 499 inclusive to close.

964 Interest on Funded Debt — (All Classes)

Charge this account regularly at the close of each period with all interest accrued on outstanding funded indebtedness of the utility, (such obligations with respect to this account being considered as funded if they do not mature within one year).

Credit all such charges to "Unmatured Interest on Funded Debt Accrued". When the interest has matured, charge that account and credit "Matured Interest on Funded Debt Unpaid", which latter account is to be charged when payment is made, crediting "Cash" or other appropriate account.

965 Other Interest — (All Classes)

Charge to this account regularly at the close of each period the interest accruing on all unfunded and floating obligations on which the electric utility is liable. Credit such charges to account "Unmatured Interest Accrued". When the interest has matured, charge that account and credit "Matured Interest Unpaid". When such interest is paid, charge the latter account and credit "Cash" or other appropriate account.

966 Taxes — (All Classes)

This account shall cover all taxes chargeable against the electric utility. When the reporting utility is also engaged in transactions outside the scope of its duties as a public utility, this account should be subdivided in the following two sub-accounts, to be maintained separately:

a — Taxes chargeable against electric utility.

b — Taxes chargeable to other departments.

To each such tax account there shall be charged regularly the amount of taxes accrued during the period, and such amount shall be credited to the account Taxes Accrued, or the appropriate subdivision of such account. The amount of taxes accrued during the period shall, when the levy is unknown, be estimated, and when the levy is finally determined the estimate shall be corrected in the provision for taxes during the remainder of the year. Such taxes as pertain to two or more utility services, or to operating and non-operating transactions alike, shall be apportioned with regard to such departments or subdivisions upon a basis which appears reasonable and just, such basis to be reported in the annual report to the Public Utilities Commission.

96g Miscellaneous Deductions from Income — (For Class C)

This account includes all the matters provided for under the following heads:

967 Release of Premium on Debt — (Credit) — (Classes A and B)

Credit this account at the close of each period with the proportion of the premium at which outstanding debt was issued, which is applicable to the period. This proportion shall be determined according to a rule, the uniform application of which during the interval between the issue and the maturity of any debt will completely amortize the premium at which such debt was issued. In the report, the total amount of this credit will be deducted from "Interest on Funded Debt".

968 Loss on Operations of Others — (Classes A and B)

This account includes amounts assumed or payable under the terms of agreement or contract binding the Company to make up any deficit or losses resulting from the operation of other companies or individuals.

969 Miscellaneous Deductions from Income — (For Class B)

Charge to this account all the deductions defined in the following sub-accounts: —

969a Amortization of Discount on Debt — (Class A)

Charge to this account at the close of each period and credit account No. 755 — "Unamortized Debt Discount and Expense", the proportion of the unextinguished discounts on bonds applicable to the period. This proportion shall be such an amount as will completely amortize the discount on the debt and the expense connected therewith, during the interval between the time of issue and the maturity of the same.

The Company may, if it so desires, earlier amortize such discount by charging all or any portion thereof to "Surplus".

969b Amortization Reserve Requirements — (Class A)

Charge to this account at the close of each period and credit account No. 945 — "Amortization Reserve", an amount

necessary to adequately provide for the amortization of the intangible assets in service. These charges shall include amounts necessary to cover such portions of the life of rights and patents as have expired or been consumed during the period. Such charges shall be credited to the account "Amortization Reserve", until such time as it is desired to close out this intangible asset, when the account "Amortization Reserve" will be debited and the appropriate asset account credited.

Also charge to this account at the close of any fiscal period, such portion of the original money costs (estimated if not known) of limited landed property (i. e. interest in land such as long term leases, the terms of which are more than one year) as is necessary to cover the proportion of the life thereof expired during such period.

969c Rents Accrued for Lease of Plants — (Class A)

Charge this account with all amounts accrued against the accounting utility for rent of plant and equipment which it holds under some form of lease from another company, and of which it has exclusive possession.

969d Other Deductions from Income — (Class A)

Charge to this account all deductions from income not provided for in the foregoing accounts.

PROVISIONS FOR DEFERRED MAINTENANCE

DEFINITIONS AND EXPLANATIONS

The law of Ohio relating to this matter is as follows:

Depreciation
Account

"Section 614-49 — Every public utility shall carry a proper and adequate depreciation or deferred maintenance account, whenever the commission after investigation shall determine that a depreciation account can be reasonably required. The commission shall ascertain, determine and prescribe what are proper and adequate charges for depreciation of the several classes of property for each public utility. The charge for depreciation shall be such as will provide the amount required over and above the cost and expense of maintenance to keep the property of the public utility in a state of efficiency corresponding to the progress of the art or industry. The commission may prescribe such changes in such charges for depreciation from time to time as it may find necessary."

Depreciation
Fund

"Section 614-50 — The moneys for depreciation charges thus provided for shall be set aside out of the earnings and carried as a depreciation fund. The moneys in such fund may be expended in new construction, extensions or additions to the property of the public utility, or invested, and if invested, the income from the investment shall also be carried in the depreciation fund. Such fund and the proceeds thereof, may be used for the purpose of renewing, restoring, replacing or substituting depreciated property in order to keep the plant in a state of efficiency. Such fund and the proceeds or income therefrom shall be used for no purpose other than as provided in this section, except upon the approval of the commission."

In order to provide the bookkeeping machinery for making a proper record relating to the matter of Deferred Maintenance, each utility shall keep the following four accounts:

No. 27 — **"Deferred Upkeep"** (Or some sub-account thereunder). This account will measure the deferred expenses for future maintenance chargeable against the current operations, in accordance with the provisions made by the management of the utility to take care of such deferred expense.

No. 93 — **"Reserve for Deferred Upkeep"** (Or some sub-account thereunder). This account provides the bookkeeping machinery through which to record the entire history of the transactions affecting the deferred maintenance.

No. 63 — **"Deferred Upkeep Fund."** This account will represent an actual fund set apart from the current receipts, from which to defray the future cost of deferred maintenance.

No. 85 — **"Borrowings from Deferred Upkeep Fund.** This account will measure the amount of the "Deferred Upkeep Fund" expended, or in process of being expended, for new construction, extensions or additions, permitted to be made by the utility, under Section 614-50.

Account No. 27 — "Deferred Upkeep" shall be charged and Account No. 93 — "Reserve for Deferred Upkeep" shall be credited monthly, or annually, with such an amount as, in the judgment of the management, will be sufficient to maintain the structures and equipment of the utility as an efficient instrument for rendering service for all time.

Account No. 63 — "Deferred Upkeep Fund" shall be charged and current cash credited monthly or annually for the amount transferred to the "Deferred Upkeep Fund" equal to the charge to "Deferred Upkeep" and the corresponding credit to "Reserve for Deferred Upkeep".

For Class A utilities, both the maintenance charge for "Deferred Upkeep" and the corresponding credit to the "Reserve" have been sub-divided as follows: —

Account No.	*Charges*	*Account No.*	*Credits*
271	— Extraordinary Repairs	931	— Reserve for Extraordinary Repairs
272	— Renewals and Replacements	932	— Reserve for Renewals and Replacements
273	— Contingencies	933	— Reserve for Contingencies

The "Deferred Upkeep Fund", however, need not be so subdivided.

The charges to "Deferred Upkeep" for such anticipated extraordinary repairs, renewals and replacements, and contingencies, shall be determined by the management of the utility, taking into consideration all material experience of the past, as well as the best estimate of the future, and shall be so fixed as to distribute the burden of such deferred expense, as nearly as may be, evenly throughout the useful life of the property.

Pending the making of rules by the Commission under the authority of Section 614-49, the utility shall furnish to the Commission annually a summary analysis of the charges and credits to the "Reserve for Deferred Upkeep".

The "Deferred Upkeep Fund" shall be kept separate from the current cash, and may be deposited in bank or invested in readily convertible securities. All interest and income from the deposit or investment of this Fund shall accrue to and be charged to the Fund, and credited to the "Reserve for Deferred Upkeep", or if, in pursuance to the permission given in Section 614-50, the utility uses money from this Fund for new construction, extensions or additions to its property, the amount so expended shall be considered as a loan made by the Fund, and an entry passed charging "Current Cash" and crediting Account No. 85 — "Borrowings from Deferred Upkeep Fund."

The borrowed money shall be restored to the Deferred Upkeep Fund whenever necessitated by the demand upon the Fund for defraying expenditures for deferred maintenance.

The credit balances appearing in any reserve accounts relating to the fixed assets of the utility as of December 31, 1914, for depreciation or for deferred maintenance, as herein defined, shall be carried forward intact on the books of the utility as of that date. On January 1, 1915 (or as soon thereafter as the utility shall have provided for the accounts prescribed in this classification) an entry shall be passed as of January 1, 1915, charging all such accounts and crediting "Reserve for Deferred Upkeep" or, in the case of Class A utilities, one or more of its subdivisions as the management of the utility may decide. As of the same date a

journal entry shall be passed charging "Deferred Upkeep Fund" and crediting "Borrowings from Deferred Upkeep Fund" for the total amount of such reserves.

When "Extraordinary Repairs" as later defined herein, are made, the cost thereof shall be charged to the "Reserve for Deferred Upkeep" (Class A "Reserve for Extraordinary Repairs") and defrayed from the "Deferred Upkeep Fund".

When items of tangible fixed assets are retired from service, whether as the result of wear and tear, breakage, supercession, discontinuance of use, or as the result of contingencies as herein defined, they shall be credited at their original cost (estimated if not known) to the fixed asset accounts affected, and charged to the "Reserve for Deferred Upkeep". (Class A "Reserve for Renewals and Replacements"). Their then value, if any, as second-hand material or junk, shall be charged to the sub-account "Scrap" under Account No. 73—"Materials and Supplies" and credited to the "Reserve for Deferred Upkeep" (class A "Reserve for Renewals and Replacements)". The proceeds from the sale of such scrap shall be transferred periodically from the current cash to the "Deferred Upkeep Fund", and any errors in the estimate of the value of such scrap, as determined by its sale or other disposition, shall be adjusted between the accounts involved.

When items of fixed assets thus retired from service are renewed or replaced, the total cost of the new property shall be charged to the appropriate Fixed Asset Accounts, and such portion only of the renewal or replacement as is measured by the credit to the Fixed Asset Accounts for the retirement of the property renewed or replaced shall be defrayed from the "Deferred Upkeep Fund".

"Deferred Upkeep" or deferred maintenance consists of such expenditures necessary to be made in the future in order to keep the structures and equipment composing the physical plant of the utility in proper state of repair and efficiency, whether such maintenance be necessitated by wear and tear, accidental breakage, destruction by casualties, or by supercession due to changes in the art.

"Current Repairs" is not chargeable to "Deferred Upkeep" and is provided for herein by direct charges to the several maintenance accounts in the classification, and is defined as the ordinary current daily, weekly, or monthly repairs, necessary to be made to a similar extent, one year with another, to keep the plant in current operating condition.

"Extraordinary Repairs" is defined as the larger and more unusual repairs made to structures or equipment, the deterioration of which has been accumulating for a period of time and which, in the nature of things, it would be impracticable to overcome by "Current Repairs". Provision for such repairs through charges to "Deferred Upkeep" serves the purpose of distributing the burden of such expense over a similar period of time and also of equalizing cost statistics.

"Renewals and Replacements" is defined as the cost of rehabilitation of such a complete unit of structure or equipment as can be identified in the property accounts of the utility. When the use of any tangible fixed asset is discontinued it shall be treated as retired, whether renewed or replaced or other property substituted therefor, or not.

"Contingencies" is defined as the additional cost of maintaining the structures and equipment of the utility, resulting from casualties and events of an unusual, extraordinary and unforseen character, not covered, or which, in the judgment of the Commission, it would not be good business practice to cover by insurance. The character of these contingencies is so varied that it is not possible to anticipate in what form they will arise. Among others there are storms, floods, fires, explosions, strikes, riots, civil disturbances, and other similar disasters, involving destruction of property and partial or complete suspension of service. The effect of "Contingencies" is two-fold, (1) to hasten the date when the property involved needs to be repaired, renewed or replaced, and (2) to occasion losses and require ex-

penditures additional to the cost of restoration of the structures and equipment reflected in the fixed asset accounts. Class A utilities shall charge to the "Reserve for Renewals and Replacements" so much of this cost as is reflected by the credit to fixed asset accounts for property retired, and the remainder of such cost shall be charged to the "Reserve for Contingencies", and defrayed from the "Deferred Upkeep Fund".

At the close of any reporting period Class A utilities may, by proper adjusting journal entries, transfer balances comprising the "Reserve for Deferred Upkeep" from one subdivision of the Reserve to another, in order to equalize and adjust any errors of judgment in making the estimates for the several classes of deferred maintenance.

In the case of Classes B, C and D utilities the charges to the sub-divisions of the "Deferred Upkeep" and the credits to the sub-divisions of the "Reserve for Deferred Upkeep", prescribed for Class A utilities, may be made to the account "Deferred Upkeep" and to the account "Reserve for Deferred Upkeep".

The requirements relating to the setting aside of the "Deferred Upkeep Fund" will be complied with by periodical reimbursement to the "Fund Cash" or the "Current Cash", as the case may be, of the difference between the receipts that accrue to the Fund and the disbursements payable from the Fund, and it will not be necessary to pay vouchers by a separate series of checks drawn against the Fund for such items as are payable from the Fund. If receipts accruing to the Fund and expenditures payable from the Fund are not currently deposited therein or disbursed therefrom, an accounting may be set up on the books of the utility in such a manner as will preserve a permanent record exhibiting the following:

Fund Receipts by Current Cash — Dr.

(1) The sum total of all charges to "Deferred Upkeep" for the period.

(2) Receipts from the sale of scrap from retired or abandoned property for the period.

(3) Receipts, if any, from earnings on fund investments for the period.

(4) All other receipts properly accruing to the Fund for the period.

Fund Disbursements by Current Cash — Cr.

(1) "Borrowings from Deferred Upkeep Fund" for the period.

(2) The portion of the cost of renewals and replacements credited to fixed asset accounts and charged to the Reserve, measuring that portion of the cost of the property retired for the period which has been replaced.

(3) Extraordinary Repairs, measured by the charges to "Reserve for Extraordinary Repairs" for the period.

(4) Contingencies, measured by the charge to the "Reserve for Contingencies" for the period.

(5) All other expenditures properly payable from the Fund for the period.

The excess of the Fund receipts over the expenditures payable from the Fund, shall be transferred from the "Current Cash" to the "Deferred Upkeep Fund"; or vice versa.

The foregoing requirements are prescribed both for privately and municipally owned utilities. Municipally owned and operated utilities shall raise the "Reserve for Deferred Upkeep" provided for herein, and concurrently make the proper complementary charges to "Deferred Upkeep".

Note: *Under the system of accounts prescribed herein, it is possible for the "Reserve for Deferred Upkeep" to stand in debit balance. When the Reserve for Deferred Upkeep stands in debit balance it will be treated on the balance sheet in the report to the Commission as a MINUS proprietary interest; when it stands in credit balance, as a PLUS proprietary interest.*

ADDITIONAL INSTRUCTIONS FOR MUNICIPALLY OWNED AND OPERATED UTILITIES

In order that the accounting system herein prescribed for electric utilities shall provide the same facilities for determining the results of operations of municipally owned and operated utilities as it provides for privately operated utilities, it is necessary, due to certain governmental requirements, that municipal utilities shall keep certain accounts of a different character from those required to be kept by privately owned utilities.

In addition to the accounts prescribed in this classification for all electric utilities (whether privately or municipally owned) all municipal utilities shall, therefore, keep the following five accounts or sub-divisions thereof.

No. 923 — City Investment.

This account shall be raised as representing the investment of the municipality in the utility (exclusive of any outstanding bonds which are shown separately as a liability of the utility, in Account No. 82).

To raise this account will involve an interrogation of the history of the municipal utility from its beginning. In making the calculations based upon the facts derived from such analysis of the history of the utility, an accurate record of the following data must be made:

(1) All payments made by the municipality or from the Sinking Fund on account of the utility's debt service (payments of bonds and interest) together with interest thereon from the dates of such payments to the date of raising this account.

(2) All payments made by the municipality to, for, or on account of the utility, from taxes or general funds, together with interest thereon from the dates of such payments to the date of raising this account.

(3) The estimated amount of all taxes and assessments which the utility would have paid had it been privately owned, together with interest thereon from the dates such taxes and assessments would have become due to the date of raising this account.

(4) Rent of public property used by the utility, but treated as an asset of other departments, and the value of services and supplies furnished to the utility by the municipality or any department thereof, together with interest thereon from the date when such rent would have accrued and the dates when such services and supplies were furnished to the date of raising this account.

(5) Such other items (not above enumerated), together with interest thereon from the dates of their accrual to the date of raising this account, as it would be necessary to set up in order to place the municipally owned utility on the same basis as a privately owned utility.

From the sum of the foregoing items shall be deducted.

(1) The value of all free services and supplies furnished by the utility to all other governmental departments, computed at a reasonable rate, but at a rate not higher than charged by the utility to private consumers for similar services and

supplies, together with interest thereon from the dates of the furnishing of such services or supplies to the date of raising this account.

(2) All payments of money by the utility to the municipality or to the Sinking Fund, together with interest thereon from the dates of such payments to the date of raising this account.

The resultant figure shall be raised as a credit in this account, and the complete detail of the calculation shall be preserved in a permanent and approved form as the support for the initial journal entry raising the accounts prescribed in this classification.

No current entries will be made in this account.

Account No. 50 — Plant Investment as of January 1, 1915, (provided herein for all electric utilities).

After all of the current and nominal assets of the utility shall have been raised upon the debit side and all of the funded, current and nominal liabilities and the City Investment Account upon the credit side, all in accordance with the requirements of this classification and the instructions herein, the difference between the sums of the two sides shall be raised as a debit balance in Account No. 50 — Plant Investment as of January 1, 1915.

If the plant investment accounts of the utility, at the date of the adoption of these accounts, are substantially classified in the form herein prescribed, or if the amount representing the utility's property can be accurately allocated to the fixed asset accounts as provided for in this classification, such allocation may be made, but these charges to the fixed asset accounts shall be so designated upon the books of the utility as to show clearly that they relate only to property installed prior to January 1, 1915. The annual report to the Public Utilities Commission of a utility making such distribution shall show the portion of each account represented by investment made prior to January 1, 1915.

Account 04 — Free Municipal Services.

To this account, or its sub-divisions, there shall be credited (at a reasonable rate, but at a rate not higher than charged by the utility to private consumers for similar services) the value of all services and supplies furnished to other governmental departments, whether municipal or otherwise, when such services and supplies are furnished free, and are not currently paid for by such departments so as to add to the utility's cash account as hereinafter defined.

The complementary charges for the value of such free services shall be made to Account No. 76 — "Current Transactions of Municipal Plants with City", or one of its sub-divisions.

Note: *Any service for which payment is currently made to the utility by other governmental departments shall be credited to the appropriate revenue account in this classification.*

Account No. 76 — Current Transactions of Municipal Plants with City.

This account is to record the current transactions between the utility and the municipality and should reflect the indebtedness from the utility to the municipality or from the municipality to the utility, according as the value of services (including taxes and interest on the investment) rendered free by the municipality to the utility or by the utility to the municipality is the greater.

To this account, or its sub-divisions, shall be charged—

(1) The value of all free services and supplies furnished by the utility to other governmental departments not currently paid for by said governmental departments, these items being a credit to an appropriate sub-division of Account No. 04 — "Free Municipal Services."

(2) All payments of money made by the utility to the municipality or to the Sinking Fund from its cash account as herein defined, these items being a credit to Account No. 71 — "Cash."

To this account, or its sub-divisions, shall be credited—

(1) The value of all free services and supplies furnished by other municipal departments to the utility and rent for property of other departments used by the utility, these items being a charge to the appropriate expense accounts in this classification.

(2) All moneys, other than from the cash account of the utility as defined herein, paid to or for the utility by the municipality, these items being a charge to Account No. 71 — "Cash" or other appropriate account.

(3) An estimate of the taxes and assessments that would have been paid were the utility privately owned and operated, these items being a charge to Account No. 966 — "Taxes."

(4) The payment of bonds, as defined in Account No. 82, or the payment of interest thereon (when made by the municipality or from the Sinking Fund, and not from the utility's cash account, as defined herein), these items being a charge to Account No. 82 — Municipal Electric Utility Bonds, or Account No. 964 — Interest on Funded Debt, as the case may be.

(5) Interest, as defined under Account No. 951, this item being a charge to Account No. 951 — Interest on City Investment.

This account may be sub-divided into accounts of transactions with the municipality in its several departments and accounts of transactions with the county, school district or other political sub-divisions.

Account No. 82 — Municipal Electric Utility Bonds.

The par value of all outstanding municipal bonds and any other evidences of indebtedness not maturing until more than one year after date, which pertain to or the proceeds from which have accrued to the benefit of the utility, shall be raised herein as a liability of the utility at the time of raising the accounts prescribed in this classification.

This account shall be currently credited with any additional bonds or other evidences of indebtedness not maturing until more than one year after date, which pertain to or the proceeds from which accrue to the benefit of the utility, the complementary charge being to Account No. 71 — "Cash," or to a specially earmarked cash account raised for keeping the cash derived from the proceeds of bonds separate from the current cash.

Account No. 951 — Interest on City Investment.

To this account shall be charged interest computed upon the sum of the credit balances in Account No. 923 — "City Investment" and Account No. 76 — "Current Transactions of Municipal Plants with City," or if the latter be in debit balance, then upon the difference between the credit and debit balances respectively in these two accounts, this item being a credit to Account No.76 — Current Transactions of Municipal Plants with City.

When, at the end of the fiscal period, the revenue and expense accounts, as prescribed in this classification for all electric utilities, together with those herein prescribed for municipal utilities only are closed upon the books of the municipal utility into Account No. 96 — Income and Profit & Loss Account (Current Period), the balance therein shall be closed to Account No. 95 — "Surplus-Deficit." Account No. 951 — "Interest on City Investment" shall likewise be closed thereto.

The Surplus-Deficit Account will then measure the difference between all of the assets raised upon the books of the municipal utility and all of the liabilities plus the City Investment account, considering the account "Current Transactions of Municipal Plants with City" as an asset or a liability, as the case may be.

Whether any actual transfer of funds be made by the utility to the general funds of the municipality or not, it is the intent that the accounts herein prescribed shall exhibit such facts as will permit of a comparison of the operating results of a municipal utility with those of a privately owned utility.

NOTE A: *By the cash account of the municipal utility is meant the account (by whatever name it may be called) which shall be raised upon the books of the utility in which to charge the deposit with the municipality of all cash received by the utility and to credit the payment of all warrants upon the disbursing officer of the municipality which are payable from the cash so deposited.*

This account cannot be more specifically defined because of wide differences in the form of business organization of municipal corporations. However, this account shall be so raised and such entries made therein, upon the books of the utility, as will make it the equivalent of a cash account which would be charged with all receipts of the utility and credited with all payments from such receipts were the utility possessed of a financial organization separate from that of the municipality and thus the custodian of such cash.

NOTE B: *For instructions for making charges for Deferred Maintenance by municipally owned utilities, see page 99.*

APPENDIX

INSTRUCTIONS AND DEFINITIONS OF ACCOUNTS FOR CLASS "D" UTILITIES

For the purpose of avoiding difficulties which it was feared Class "D" Utilities might have in referring to the regular text of accounts, for the substance of the several greatly condensed accounts to be kept by them, it was considered advisable to include in an appendix to this text a very much condensed set of instructions.

The **Balance Sheet Accounts** include those accounts which show —

1. The cost of the property which the utility owns,
2. The debts which it owes.
3. The equities of its proprietors in its net worth. (Book value.)

The accounts which show the property of the utility are called Assets. The accounts which show the debts of the utility are called Liabilities, and the accounts which show the equity of the proprietors or the "net worth" of the utility are, in the case of a sole proprietorship or partnership, shown in accounts bearing the names of such proprietors, and in the case of a corporation, in accounts carrying the par value of the outstanding capital stock and in accounts representing Surplus or Deficit and Reserves.

The **Income Accounts** include those accounts which show the history of the utility's operations for the fiscal year. They are those accounts which classify the various revenues or earnings, and the various expenses incurred to produce such earnings. In other words, the Balance Sheet shows the utility's "financial status," while the Income Account reflects a history of the utility's operations and shows "how it got there."

The difference between the Revenues and Expenses measures profit or loss, and such profit or loss, when added to or deducted from the undistributed profit or loss carried forward from the former period, again measures the difference between the assets and the liabilities plus the capital stock of the utility as at the close of the fiscal year.

It follows that unless the property which a utility has, exactly equals the amount of money it has put into it, plus the debts it has (assuming that there have been no withdrawals or contributions in the meantime) there will be either a profit or a loss. Hence the difference between the sum of the accounts which record earnings and the sum of the accounts which record expenses, must perforce be equal to the difference between the "Net Assets" at the beginning of the period and the "Net Assets" at the close.

NOTE: *By the term "Net Assets" is meant the excess of the actual assets over the actual liabilities; — Capital Stock, Surplus, Reserves and Profit and Loss Accounts being elements of Proprietorship, and not considered as Liabilities.*

The books of the utility shall be kept by double entry.

This involves the recording of all financial facts with a debit and credit entry in categories of Assets and Liabilities, and of Revenues and Expenses. For example: — When bills are rendered to consumers, Accounts Receivable is debited

and the proper earning account is credited. When bills are paid by consumers, Cash is debited and Accounts Receivable credited.

When bills for expenditures are incurred, they will be debited either to the appropriate asset account or the appopriate expense account, as the case may be, and credited either to Accounts Payable or to Cash, in accordance with the facts.

Since both the Commission and the utility wish to rely upon the accuracy of any statement showing either financial status and gains or losses from giving service for a period, such statement must naturally, be based upon an accurate accounting record, which can only be secured by means of the double entry method of bookkeeping.

A distinction must here be drawn between "earnings" and "receipts" and between "expenses" and "disbursements." A part of the money which a utility has earned in giving a service may not have been collected, nevertheless it was earned during the year. A statement to be accurate therefore, must show, not the cash receipts but the earnings.

Likewise, it may happen that all the bills for the year have not been paid. If any material is bought and used during the year, or if any labor has been performed, it is a part of the cost of giving service, whether such materials or labor have been paid for during the year or not; hence, the utility must show, not its payments but its expenses.

BALANCE SHEET ACCOUNTS

ASSETS

No. 1 — **Cost of Plant**

This account will show the cost to the utility of constructing its plant, devoted to electrical operations only. If it is purchased instead of being constructed by the utility, this account will show the amount paid for same.

It must be kept in mind that to this account there shall be made only those charges which increase the original cost of the property. In other words, this account should show what the plant cost, and should not show any expenses for repairing or maintaining it.

As an illustration: Let it be assumed that a plant is built costing $5,000.00. This amount will appear as a debit in this account. As soon as operation is begun, the plant will begin to become less efficient through wear and tear, accidental breakage, obsolescence, etc. If, then, it becomes necessary to make repairs to maintain the efficiency of the plant, the expenses for such repairs will not be charged to this account, but to account No. 42 — "Repairs."

If, however, it becomes necessary to increase the plant, either by its enlargement or improvement, or by the addition of new equipment, the cost of such items are appropriate charges to this account.

Again, if a dynamo which cost $1,000.00 is replaced by one costing $1,500.00, this account will be charged with $500.00 and $1,000.00 will be charged to "Repairs" — (See explanation under "Deferred Upkeep" —Account No. 43.)

No. 2 — **Cash**

This account will be debited with all cash received and credited with all cash paid out. The excess of the debits over the credits to this account will show the balance of cash on hand at any time.

No. 3 — **Accounts Receivable**

This account will be debited with all charges for services of any character, and will be credited with all payments received and allowances made from the original charge. If any allowances or deductions are made from the charges raised in accounts receivable for electric service, such credit to accounts receivable will be debited to the earning account which originally carried the credit. Uncollectible Accounts Receivable will be charged directly to Profit & Loss.

Detailed accounts with individuals will be kept in auxiliary records, and the total of the charges unpaid or uncancelled in such records should equal the debit balance in this account. It will, of course, be optional with the utility whether it keeps a single general ledger account entitled "Accounts Receivable," which controls the detailed accounts with the individuals, or whether it keeps upon the general books the individual accounts, the sum of which individual accounts is reported under this item.

No. 4 — **Notes Receivable**

This account will be debited with all notes accepted, and will be credited with the payment or the cancellation of the notes.

No. 5 — **Materials, Supplies and Prepaid Expenses**

When materials are bought, they will be charged to either Account No. 1, or Accounts Nos. 41, 42, 44 or 47, as prescribed in these accounts, depending upon the use to be made of them. But it may happen that at the end of the year (when the report is called for) that certain material which had been charged up as expenses, will not have been used. For the purpose of showing this unused material as a part of the assets of the utility, the cost of such material as has not been used, will be credited to the expense account to which it was originally charged.

The inventory of this material, thus credited at the close of the fiscal year to the several expense accounts before closing the books, will, after drawing the line, be again brought forward upon the debit side of the same account as being expenses incurred applicable to the future period. The sum of all such inventory credits will be shown in the report under this item — "No. 5."

A similar principle applies to the payment of expenses, where such expenses are paid in advance and the benefit accrues therefrom in the future. In addition to inventorying materials, the unused part of such items as insurance, prepaid interest, or rents paid in advance, shall likewise be inventoried and treated in the same fashion.

NOTE: *The utility may keep Stores accounts in which event such accounts will themselves reflect the inventory of materials and obviate the necessity for the foregoing procedure.*

No. 6 — **Other Current Assets**

To this account, or some sub-division thereof, will be charged any other current assets of an Electric Utility, should there be any which cannot be classified under the foregoing accounts.

No. 7 — **Investments**

To this account will be charged any investments in stocks or bonds or other properties not included in the foregoing accounts, and which property is not used in the ordinary operations of the company or proprietor.

No. 8 — **Deferred Upkeep Fund** (optional)
See instructions on Page 99.

No. 9 — **Property Used In Other than Electric Operations**
In case the reporting utility is engaged in other than electric operations as a part of its regular business, the cost of any property devoted to these outside operations shall be carried in this account, or such sub-division of this account as may be desired, and shall not be carried in the account "Cost of Plant."

LIABILITIES

No. 11 — **Funded Debt**
To this account will be credited the value of all bonded and other indebtedness which, by the terms of its creation, does not mature until more than one year after date.

No. 12 — **Accounts Payable**
Credit to this account all liabilities upon open accounts, which shall include at the close of the fiscal year all unpaid bills for apparatus, materials, and supplies received during the period, as well as all salaries and wages due and unpaid. Debit this account with the payment of all liabilities which have been credited therein.

No. 13 — **Notes Payable**
Credit to this account any notes issued, and debit this account when the note is paid or otherwise liquidated.

No. 14 — **Other Current Liabilities.**
Credit to this account, or some sub-division thereof, any other current liabilities, including consumers' deposits, matured interest unpaid, or any other items payable not otherwise provided for, and debit the same when payment is made.

No. 15 — **Accrued Liabilities**
At the close of each fiscal year the utility will make an inventory of such proportion of taxes, interest, wages and other items not due or payable, but which have accrued during the year, and it will charge such accrued items to the appropriate expense account by the inverse of the procedure in which the inventory, discussed in Account No. 5, was raised.

After the books have been closed for the year, the amount of such accrued items which have been charged, will be brought forward as a credit in the same account for the subsequent period; the sum of such accrued liabilities which have been inventoried, will compose this item — No. 15.

No. 16 — **Borrowings from Deferred Upkeep Fund** (Optional)
See instructions on Page 99.

PROPRIETORSHIP

No. 21 — **Capital Stock** — Individual or Partner's Capital Accounts
To this account shall be credited the par value of the capital stock which the utility has issued.

Where the utility is not operated by a corporation, it will show the capital of the individual or partners in accounts bearing their names.

No. 22 — **Surplus — Deficit**
See Profit and Loss Account.

No. 23 — **Reserve for Deferred Upkeep** (Optional)
See instructions on Page 99.

INCOME ACCOUNTS

REVENUES

No. 31 — **Street Lighting Earnings**

To this account will be credited the earnings of the utility for lighting the streets and other public places of the municipality.

No. 32 — **Other Electric Earnings**

To this account will be credited all electrical earnings other than earnings from street lighting.

No. 33 — **Earnings from Other than Electric Utility Operations**

In case the reporting utility is engaged in other than electric operations, as a part of its regular business, it will credit to this account, or such sub-divisions thereof as it may desire, all other earnings not included in the two foregoing accounts for electric earnings.

EXPENSES

No. 41 — **Operating Expenses**

To this account wi' be charged the cost of all labor and material, supplies and expenses, incurred during the year in the operation of the electric utility. It will include all expenses other than maintenance of plant and equipment, and other than such expenses as may be classified as general expenses.

No. 42 — **Repairs**

Charge to this account all expenses incurred in maintaining the plant and equipment.

No. 43 — **Deferred Upkeep** (Optional)
See instructions on Page 99.

No. 44 — **General Expenses**

Charge to this account all expenses of operation not included under Operating Expenses or Repairs, such as office salaries, office rent, office supplies and expenses, law expenses, stationery and printing, commercial expenses, business promotion expenses, public service commision expenses, etc.

No. 45 — **Taxes**

Charge to this account all taxes paid, or which have accrued, as explained under Account No. 15.

No. 46 — **Interest**

Charge to this account all interest paid, or which has accrued, as explained under account No. 15.

No. 47 — Expenses for Other than Electric Utility Operations

In case the reporting utility is engaged in other than electric operations, any expenses incurred in such operations will be charged to this account or such subdivisions thereof as may be desired.

No. 22 — Profit & Loss

At the close of the year, this account having been previously ruled off, and the balance brought down, will have transferred to it the credit balances shown in the revenue accounts, numbers 31 to 33, and the debit balances shown in the expense accounts — 41 to 47 inclusive.

At the same time such revenue and expense accounts will be balanced and ruled off, and the prepayments or accruals inventoried therein, as hereinbefore explained, will be brought down to the opposite side of the new account for the next period.

The balance between the sum of the closing entries on the two sides of the "Profit & Loss" account will now measure the profit or loss for the year.

In the case of a sole proprietorship or a partnership, this "Profit and Loss" account will be closed by the transfer of the proper share in the profits or losses to the proprietors' capital accounts.

In the case of a corporation it will stand open and will, during the year, be charged with all dividends. If the corporation should prefer to do so, it can close this "Profit and Loss" account annually, by transferring the balance therein to an account called "Surplus," and make all charges for dividends in the latter account. In any event, at the close of every fiscal year the account called "Surplus," or the debit or credit balance in the "Profit and Loss" account, after the books have been closed, will equal the difference between the assets and the liabilities plus proprietorship, as hereinbefore explained.

No. 8 — Deferred Upkeep Fund

No. 16 — Borrowings from Deferred Upkeep Fund

No. 23 — Reserve for Deferred Upkeep

No. 43 — Deferred Upkeep Expense

These accounts have been prescribed for Class "A," "B" and "C" utilities. The keeping of these accounts will be optional with class "D" utilities. The operation of these accounts has been fully explained in the main text at page 99 of these instructions, to which class "D" utilities are referred.

While it is optional with class "D" utilities to keep, or not keep these accounts, in any controversy arising with reference to rates, which may be brought before the Commission, the principles laid down in the text referred to will govern, and if class "D" utilities have not kept their records so as to enable the Commission to ascertain a history of the facts, such facts will have to be ascertained from a study and analysis in each case, and the burden of proof of ascertaining the extent of such deferred upkeep (usually called depreciation) will fall upon the utility.

However, when a class "D" utility plant is operated by a company also operating plants of a higher class, the accounting and fund provisions for "Deferred Upkeep" herein provided shall be required and not be optional.

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